Telecommunications Amendment Bill

Government Bill

As reported from the Economic Development, Science and Innovation Committee

Commentary

Recommendation

The Economic Development, Science and Innovation Committee has examined the Telecommunications Amendment Bill and recommends that it be passed. We recommend all amendments unanimously.

About the bill as introduced

This bill seeks to make targeted amendments to the Telecommunications Act 2001 to support a programme of regulatory reform. The programme is designed to ensure that the telecommunications regulatory regime continues to support the telecommunications market. The bill would:

- mandate membership of an industry dispute resolution scheme for telecommunications service providers with a gross annual retail revenue of $50 million or more (excluding GST)
- provide enforcement options for dealing with providers who fail to join a scheme within 6 months of becoming liable to do so
- make permanent the rights for fibre providers to access shared property to install fibre, while maintaining protections for affected persons
- introduce a regulation-making power that allows for the amount of the Telecommunications Development Levy to be set by Order in Council rather than specified in Schedule 3B of the Act
- enable the Commerce Commission to undertake roles given to it under the constitutions of three local fibre companies, if approved by the Minister of Finance.

Legislative scrutiny

As part of our consideration of the bill, we have examined its consistency with principles of legislative quality. We wish to bring the House's attention to an issue relating to clause 4, which we discuss in more detail later in this commentary.

Proposed amendments

This commentary covers the main amendments we recommend to the bill as introduced. We do not discuss minor or technical amendments.

Mandated membership of industry dispute resolution scheme

Part 7 of the Telecommunications Act would provide for regulatory oversight of the quality of telecommunications retail services. Sections 240–249 of proposed Part 7 would provide for industry dispute resolution schemes to help resolve consumer complaints. Telecommunications service providers would be able to choose to join a scheme.

Clause 33 of the bill as introduced would insert section 240A into Part 7 to mandate membership of an industry dispute resolution scheme for any telecommunications service provider that earns a gross annual revenue of $50 million or more in any financial year from certain revenue streams. We propose some changes to this provision.

Determining gross annual revenue

Proposed section 240A(4) sets out which revenue streams would be included in calculating the $50 million threshold to determine whether membership of an industry dispute resolution scheme was required.

We are concerned that, as introduced, the drafting of the revenue streams is too broad. Services such as revenue from selling broadcasting and other services over a public telecommunications network could be captured by proposed section 240A(4)(b)(iv). This would be at odds with the policy intent of the bill.

We are also concerned that the bill lacks clarity about what is intended to be captured. Proposed section 240A(4)(b) includes revenue from "voice" in the gross revenue calculation without a definition of what constitutes a voice service. This may lead to a misinterpretation that "over-the-top" (OTT) services that offer calling or messaging services are intended to be captured.[1] We consider that revenue from OTT voice services provided over broadband should be excluded from the calculation of gross annual revenue.

We recommend amending subparagraphs (i) to (iii) in proposed section 240A(4)(b) to specify that the calculation of gross revenue would only include revenue from:

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[1] OTT services are digital content or applications that run over the top of traditional connectivity networks. An example is WhatsApp, which runs over the internet.

- broadband services, including fixed line, fixed wireless, or satellite broadband
- voice services, including fixed line, fixed wireless, mobile, or satellite voice
- any other mobile services, including short-message-service (SMS) and mobile data.

We also recommend removing subparagraph (iv) in proposed section 240A(4). As introduced, it would capture any other telecommunications service delivered over a public telecommunications network, which would include certain broadcasting services. Broadcasting is a different retail service product and has separate dispute resolution arrangements, through the Broadcasting Standards Authority.

Assessing revenue across a group of companies

As introduced, proposed section 240A is not clear about whether a business could avoid mandatory membership of an industry dispute resolution scheme if it structured itself in a way that ensures neither the business, nor any of its subsidiaries, meet or exceed the $50 million threshold of gross annual retail revenue. We consider it important for any large business that earns a gross annual revenue of $50 million or more across its group of companies should be subject to this regime.

We note that this is consistent with section 79 of the Act, which establishes when two or more bodies corporate must be treated as a single entity for telecommunications service obligations and liability for the Telecommunications Development Levy. We consider that the same settings should apply to section 240A.

We recommend inserting section 240A(5) to specify that:

- section 79 of the Act applies when determining the amount of gross annual revenue earned by a telecommunications service provider
- if two or more bodies corporate must be treated as one person under section 79 of the Act, both or all must become members of an industry dispute resolution scheme.

Power to require supply of information to verify revenue

Clause 4 of the bill would insert section 10B into the Act. This would empower the Commerce Commission to require by written notice that telecommunications service providers supply any information necessary for the purpose of verifying their gross annual revenue.

Clause 6 of the bill would amend section 15 of the Act to allow penalties under the Commerce Act 1986 if a telecommunications service provider failed to comply with a notice given under proposed section 10B.

We are concerned that section 10B as introduced lacks proportionality and could be used more broadly than intended. We consider that section 10B needs to demonstrate its consistency more clearly with the right to freedom of expression in section 14 of the New Zealand Bill of Rights Act 1990. We consider that the purpose of the Commission's information-gathering power in section 10B should be clarified.

We recommend replacing subsections (1) and (2) in proposed section 10B. Our replacement subsections would make clear that the Commission's information-gathering power is to verify a service provider's revenue where the Commission needs to determine whether the $50 million gross revenue threshold is met.

Section 82 of the Telecommunications Act sets out the types of information a liable person must provide to the Commerce Commission to calculate liability for the levy. We recommend that section 10B(1) and (2) be aligned with section 82 of the Act.

Excluding members of existing dispute resolution schemes

Two submitters recommended that clause 4 be amended so that the power to require financial information could not be used if a service provider was already a member of a relevant dispute resolution scheme. We agree, as the reason for requiring the information is to determine whether a provider must join a scheme in the first place.

We recommend inserting section 10B(3) to provide that a telecommunications service provider does not need to provide information if it satisfies the Commission that it is already a member of an existing industry dispute resolution scheme.

Matters to be heard by dispute resolution scheme

Sections 241 and 247 of the Act currently require industry dispute resolution schemes to hear consumer complaints relating to Commission codes (rules or standards created by the Commerce Commission under the Act) and industry retail service quality codes, which are created by the New Zealand Telecommunications Forum. Clauses 34 and 36 as introduced would respectively amend sections 241 and 247 of the Act to specify these matters and to include "any other matter related to retail service quality".

We consider that the bill as introduced is not sufficiently clear about whether a dispute resolution scheme would be expected to consider all consumer complaints, even if the service provider whose services are the subject of a complaint is not a member of that scheme.

We recommend amending clause 34 to insert new section 241(3), to clarify the position if a dispute resolution scheme receives a referral involving a provider that is not a member of the scheme. Under our amendment, the scheme would not need to accept the referral unless the dispute is about a Commission code and the provider in question is not a member of any other dispute resolution scheme.

Appendix

Committee process

The Telecommunications Amendment Bill was referred to this committee on 13 November 2025. We called for submissions on the bill with a closing date of 14 January 2026. We received and considered submissions from 54 interested groups and individuals. We heard oral evidence from six submitters. We wish to acknowledge the efforts of all submitters and thank them for their engagement.

Advice on the bill was provided by the Ministry of Business, Innovation and Employment. The Office of the Clerk provided advice on the bill's legislative quality. The Parliamentary Counsel Office assisted with legal drafting.

Committee membership

Dr Parmjeet Parmar (Chairperson)

Dr Hamish Campbell

Reuben Davidson

Cushla Tangaere-Manuel

Dr Vanessa Weenink

Arena Williams

Scott Willis

Dr David Wilson

Related resources

The documents we received as advice and evidence are available on the Parliament website.

Key to symbols used in reprinted bill

As reported from a select committee

<u>text inserted unanimously</u>

~~text deleted unanimously~~

Hon Paul Goldsmith

Telecommunications Amendment Bill

Government Bill

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Telecommunications Amendment Act **2025**.

2 Commencement

(1) This Act comes into force on the day after Royal assent.

(2) However,—

(a) **sections 4, 6, 22, 23(1) and (3), 25(2), 27, and 33** come into force on **1 July 2027**; and

(b) **sections 9 and 39** come into force on a single date set by Order in Council, which must not be earlier than the day on which the first regulations made under **section 85B** come into force; and

(c) any provision of this Act that has not earlier come into force comes into force on **30 June 2028**.

(3) An order under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Part 1
Amendments to Telecommunications Act 2001

3 Principal Act

This Part amends the Telecommunications Act 2001.

4 New section 10B inserted (Power to require supply of information to verify revenue)

After section 10A, insert:

10B Power to require supply of information to verify revenue under section 240A

~~(1) The Commission may, by written notice, require a telecommunications service provider to provide any information specified in **subsection (2)** within the time specified in the notice.~~

~~(2) The Commission may require information under **subsection (1)** for the purpose of verifying—~~

~~(a) the revenue of a telecommunications service provider in respect of a financial year; and~~

~~(b) accordingly, whether that telecommunications service provider is required to become a member of an industry dispute resolution scheme under **section 240A**.~~

(1) For the purpose of determining whether a person is a person to whom **section 240A** applies in respect of the preceding financial year, the Commission may, by written notice to that person, require the person to provide to the Commission, within the time specified in the notice,—

(a) the person's financial statements for that financial year, which may be the financial statements for—

(i) the financial year as defined in section 5; or

(ii) if the person has a different accounting period, the relevant period for that person, provided that the financial statements are for a period of 12 consecutive months ending not more than 6 months before the end of that financial year; and

(b) any further information specified by the Commission for the purpose of enabling it to verify the person's gross annual revenue to which **section 240A** applies for that financial year; and

(c) a certificate that complies with **subsection (2)**.

(2) A certificate complies with this subsection if—

(a) it certifies the person's gross annual revenue to which **section 240A** applies for that financial year; and

(b) it is signed by 2 directors of the person with the authority of the other directors.

(3) A telecommunications service provider need not comply with a requirement to provide information under this section if the provider provides information that satisfies the Commission that the provider is already a member of an existing industry dispute resolution scheme.

5 New section 10C inserted (Commission's function in relation to local fibre companies)

Before the cross-heading above section 11, insert:

10C Commission's function in relation to local fibre companies

(1) In addition to the other functions conferred on the Commission by this Act, the Commission may undertake any role given to it under the constitution of a local fibre company if the role in the constitution has been approved by the Minister of Finance.

(2) For the purposes of this section, **local fibre company** has the meaning set out in section 156AB.

6 Section 15 amended (Application of Commerce Act 1986 and Crown Entities Act 2004)

In section 15(4), after "sections 10A,", insert "**10B**,".

7 Section 85 amended (Matters to be included in draft liability allocation determination)

In section 85(1)(b), replace the formula with:

$$a \div b \times c$$

where—

a is the amount of the liable person's qualified revenue b is the sum of all liable persons' qualified revenue

c is the annual amount of the telecommunications development levy for the relevant financial year as specified in regulations made under **section 85B(1)** or as adjusted under **section 85B(2)**; and

8 New section 85B inserted (Annual amount payable for telecommunications development levy)

After section 85A, insert:

85B Annual amount payable for telecommunications development levy

(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations for all or any of the following purposes at any time:

(a) specifying the annual amount of the telecommunications development levy for a relevant financial year to be applied in item c of the formula in section 85(1)(b):

(b) increasing the annual amount payable under **paragraph (a)**:

(c) decreasing the annual amount payable under **paragraph (a)**.

(2) If regulations are in force under **subsection (1)** and the annual amount of the telecommunications development levy has not been specified for a relevant financial year, then the annual amount for that year and each subsequent financial year must be calculated in accordance with **subsection (3)** (which results in an inflation-adjusted annual amount).

(3) The following formula must be used to calculate the inflation-adjusted annual amount:

$$a \div b \times c$$

where—

a is the CPI for the last quarter of the financial year preceding the relevant financial year

b is the CPI for the last quarter of the financial year that is 1 year before the financial year preceding the relevant financial year

c is the telecommunications development levy for the financial year preceding the relevant financial year.

(4) Before making a recommendation to increase the annual amount under **subsection (1)(b)**, the Minister must consult liable persons on any proposed increase to the annual amount.

(5) Before making a recommendation to decrease the annual amount under **subsection (1)(c)**, the Minister must be satisfied that the annual amount for the previous financial year is no longer required for the purposes of section 90 for the relevant financial year.

(6) *See also* the transitional provision in **Part 4** of Schedule 1AA, which provides that the most recent annual amount payable under Schedule 3B stays in effect until the first Order in Council made under **subsection (1)** of this section comes into force.

(7) Regulations under this legislation are secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

9 Section 92 repealed (Annual telecommunications development levy may be reduced by Order in Council)

Repeal section 92.

10 Section 155B amended (Overview)

(1) In section 155B(1)(d)(ii), delete "with a retail provider for the FTTP service to be installed".

(2) In section 155B(1)(d)(iii), delete "for the FTTP service to be installed".

11 Section 155D amended (Interpretation)

(1) In section 155D(1), definition of **affected person**, paragraph (b), delete "with a retail provider for the FTTP service to be installed".

(2) In section 155D(1), insert in its appropriate alphabetical order:

order means placing an order with—

(a) a retail provider for an FTTP service to be installed; or

(b) an FTTP service provider or network operator for the installation of fibre optic media

(3) In section 155D(2), delete "for an FTTP service to be installed".

12 Section 155H replaced (How long statutory rights of access apply for)

Replace section 155H with:

155H How long statutory rights of access apply for

The statutory rights of access given by this subpart apply—

(a) for an indefinite period in relation to FTTP service providers and network operators for the purpose of—

(i) installing fibre optic media; or

(ii) exercising certain ongoing rights of access to installed fibre optic media, as specified in section 155ZD; and

(b) for the prescribed period in relation to network operators and installations of prescribed other technology.

13 Section 155J amended (General preconditions for statutory rights of access to apply)

(1) In section 155J(1), replace “that—” with “that,—”.

(2) Replace section 155J(1)(a) with:

(a) after the commencement of this subpart, a person has placed an order; and

14 Section 155K amended (Particular preconditions before exercising statutory right of access to carry out category 1 installation)

In section 155K(1)(b), delete “with a retail provider for an FTTP service to be installed”.

15 Section 155L amended (Particular preconditions before exercising statutory right of access to carry out category 2 installation)

In section 155L(1)(a)(ii), delete “with a retail provider for the FTTP service to be installed”.

16 Section 155N amended (Grounds and time for objecting to exercise of statutory right of access to carry out category 2 installation)

In section 155N(3), replace “the person has placed for an FTTP service to be installed” with “they have placed”.

17 Section 155O amended (Effect of objection to exercise of statutory right of access for category 2 installation)

In section 155O(1), delete “with a retail provider for the FTTP service to be installed”.

18 Section 155Q amended (Statutory right of access to common areas of body corporate administered properties for designing installations)

(1) In section 155Q(1), replace “with a retail provider for an FTTP service to be installed in” with “in relation to”.

(2) In section 155Q(3), replace the example with:

Example

The owner of an apartment on the top floor of a 3-storey apartment building places an order. There are 3 external access ways on the building, one running along the back of each floor, and external staircases that link the access ways. Apartment owners can use these access ways and stairs to move between floors. The FTTP service provider wants to find out whether it will be possible to carry out the installation to the apartment using external conduit alone.

The access ways and staircases are owned and held by the body corporate of the building as common property and there are no barriers restricting free access to those parts of the building. The FTTP service provider therefore has a statutory right to enter the property and inspect the external access ways and staircases up to the top floor for the purposes of finding out whether it will be possible to use external conduit and to design a suitable installation.

19 Section 155ZD amended (Ongoing rights of access)

(1) In section 155ZD(1), replace "to,—" with "to".

(2) In section 155ZD(1)(a), delete "for an indefinite period,".

(3) In section 155ZD(1)(b), delete "for the period described in subsection (1A),".

(4) In section 155ZD(1)(b)(i), delete "for the FTTP service to be installed".

(5) Repeal section 155ZD(1A).

20 Section 155ZH amended (FTTP service providers and network operators exercising statutory access rights must be members of dispute resolution scheme)

In section 155ZH(1)(a), replace "until the day that is the fourth anniversary of Royal assent of the Regulatory Systems (Economic Development) Amendment Act 2025" with "for at least 12 months after the member's last access exercised in reliance on the statutory right of access".

21 Section 155ZI amended (Disputes may be referred to dispute resolution scheme)

In section 155ZI(1)(a)(i) and (b), delete "with a retail provider for an FTTP service to be installed".

22 Section 156A amended (Application of section 156B)

After section 156A(1)(q), insert:

(r) fails, without reasonable excuse, to comply with **section 240A**.

23 Section 156B amended (Enforcement actions that Commission may take)

(1) In section 156B(1)(c), replace "or (q)" with "(q), or **(r)**".

(2) After section 156B(1A), insert:

(1AA) The Commission may, in addition to or instead of taking action under subsection (1), apply to the High Court for an order under section 156MB against a person who commits a breach referred to in section 156A(1)(p).

(3) After section 156B(1B), insert:

(1C) The Commission may, in addition to or instead of taking action under subsection (1), apply to the High Court for an order under **section 156ME** against a person who commits a breach referred to in **section 156A(1)(r)**.

24 Cross-heading above section 156CA replaced

Replace the cross-heading above section 156CA with:

Enforceable undertakings in relation to certain codes and membership of industry dispute resolution scheme

25 Section 156CA amended (Commission may accept undertakings)

(1) Replace section 156CA(1) with:

(1) The Commission may accept a written undertaking given by, or on behalf of, a person in connection with any matter relating to the enforcement of—

(a) a Commission RSQ code; or

(b) the Commission 111 contact code; or

(c) the copper withdrawal code.

(2) After section 156CA(1)(c), insert:

(d) the requirement for mandatory membership of an industry dispute resolution scheme.

26 New cross-heading above section 156MB inserted

After section 156MA, insert:

Additional remedies in relation to breach of Commission code

27 New section 156ME and cross-heading inserted

After section 156MD, insert:

Additional remedies in relation to breach of industry dispute resolution membership

156ME Order to become industry dispute resolution scheme member

(1) The High Court may make an order directing a person to become a member of an industry dispute resolution scheme if the High Court is satisfied, on the application of the Commission, that a person has committed a breach referred to in **section 156A(1)(r)**.

(2) The High Court may hear and determine an application under **subsection (1)** in conjunction with any other proceedings under this Part.

28 New section 158 inserted (Material incorporated by reference)

After section 157, insert:

158 Material incorporated by reference

(1) This section applies for the purposes of section 66(2)(b) of the Legislation Act 2019.

(2) If material incorporated by reference in secondary legislation made under this Act is amended or replaced by the originator of the material after the secondary

legislation is made, legal effect may be given to that amendment or replacement material if—

(a) the amendment or replacement material is of the same general character as the original material; and

(b) the maker of the secondary legislation issues a notice to adopt the amendment or replacement material as having legal effect as part of the secondary legislation.

(3) If material incorporated by reference in secondary legislation made under this Act expires, is revoked, or otherwise ceases to have effect, the material ceases to have legal effect as part of the secondary legislation if the maker of the secondary legislation issues a notice stating that the material ceases to have that legal effect.

(4) A notice issued under **subsection (2)(b) or (3)** must be published in the *Gazette* and publicised by the maker of the secondary legislation.

(5) This section does not limit section 66(2)(a) of the Legislation Act 2019.

(6) In this section, **material** has the meaning given in section 63 of the Legislation Act 2019.

28A New section 210A inserted (Review of whether fibre fixed line access services should be subject to increased regulation)

After section 210, insert:

210A Review of whether fibre fixed line access services should be subject to increased regulation

(1) The Commission may review whether and, if so, how 1 or more fibre fixed line access services should be regulated under this Part if the Commission has reasonable grounds to consider that those services—

(a) should be regulated under this Part; or

(b) should be subject to a different type of regulation under this Part.

(2) For the purposes of **subsection (1)**, the Commission may, without limitation, describe a service under review with reference to any 1 or more of the following:

(a) the geographic area in which the service is supplied:

(b) the service's end-users:

(c) the service providers that seek access to the service:

(d) the technical specifications of the service:

(e) any other circumstances in which the service is supplied.

(3) A review may consider the following:

(a) whether competition to 1 or more fibre fixed line access services has increased or decreased in a relevant market:

(b) the impact of any increase or decrease on the ability of regulated fibre service providers to exercise substantial market power:

(c) whether the purpose of this Part would be better met if 1 or more fibre fixed line access services—

(i) were regulated under this Part; or

(ii) were subject to a different type of regulation under this Part.

(4) The Commission must give interested persons a reasonable opportunity to give their views to the Commission on the matters subject to review and the Commission must have regard to any views received.

(5) After a review, the Commission must make a recommendation to the Minister for the purposes of section 226.

(6) The Commission—

(a) must hold a review if required to do so by the Minister; and

(b) may hold a review on its own initiative.

(7) Any requirement by the Minister must—

(a) be in writing; and

(b) specify the date by which the Commission must make a recommendation under section 226 to the Minister.

29 Section 226 amended (Persons subject to regulation under Part 6)

Replace section 226(8) with:

(8) For the purposes of subsection (4)(a), the Commission has **consulted with interested persons** if it has—

(a) given all interested persons a reasonable opportunity to give their views on the proposed regulations; and

(b) had regard to any views received under **paragraph (a)** before making a recommendation under this section.

30 Section 232 amended (Interpretation)

(1) In section 232, definition of **industry dispute resolution scheme**, replace paragraph (a) with:

(a) means a scheme—

(i) that provides dispute resolution services to 1 or more members of the telecommunications industry for addressing consumer complaints; and

(ii) for which the scheme provider has notified the Commission in writing—

(A) that the scheme is operating as an industry dispute resolution scheme; and

(B) of the date on which the scheme will commence operating as an industry dispute resolution scheme, which must not be earlier than the date of the notice; but

(2) In section 232, insert in its appropriate alphabetical order:

dispute resolution provider means a person engaged by a scheme provider to carry out dispute resolution activities

31 Section 233 amended (Purpose of retail service quality code)

In section 233, replace “end-users” with “consumers”.

32 Section 240 amended (Dispute resolution scheme)

(1) In the heading to section 240, after “**scheme**”, insert “**for Commission codes**”.

(2) In section 240(1), replace “The dispute resolution scheme for all Commission codes is—” with “A dispute resolution scheme for Commission codes may be—”.

(3) In section 240(1)(b)(ii), replace “the dispute resolution scheme” with “a dispute resolution scheme”.

(4) In section 240(2), after “scheme provider”, insert “(or a dispute resolution provider who has been engaged by a scheme provider)”.

(5) Repeal section 240(3).

33 New section 240A inserted (Membership of industry dispute resolution scheme)

After section 240, insert:

240A Membership of industry dispute resolution scheme

(1) If a telecommunications service provider earns a gross annual revenue of $50 million (excluding goods and services tax) or more in any financial year, it must become a member of an industry dispute resolution scheme.

(2) The telecommunications service provider must become a member of a scheme within 6 months after the end of that financial year.

(3) If a scheme member’s gross annual revenue drops below $50 million (excluding goods and services tax) at any time, it may choose to end its membership of an industry dispute resolution scheme at any time after the end of that financial year.

(4) This section applies only—

(a) if an industry dispute resolution scheme has been set up under Part 7; and

(b) to gross revenue earned from selling 1 or more of the following telecommunications services to consumers in New Zealand:

(i) ~~broadband (which includes without limitation Internet services delivered over fibre, fixed wireless, cellular, or satellite networks):~~

(ii) ~~mobile:~~

(iii) ~~voice:~~

(iv) ~~any other telecommunications service delivered by means of a PTN.~~

(i) broadband (which includes fixed line, fixed wireless, or satellite broadband):

(ii) voice (which includes fixed line, fixed wireless, mobile, or satellite voice):

(iii) any mobile service not already covered by **subparagraph (i) or (ii)** (which includes short-message-service (SMS) and mobile data).

(5) For the purposes of this section,—

(a) section 79 applies when determining the amount of gross annual revenue earned by a telecommunications service provider; and

(b) if 2 or more bodies corporate must be treated as 1 person under section 79, both or all must become members of an industry dispute resolution scheme.

34 Section 241 amended (Disputes may be referred to industry dispute resolution scheme)

(1) Replace section 241(1) with:

(1) A dispute between a consumer and a telecommunications service provider about their rights and obligations under any of the following matters may be referred to an industry dispute resolution scheme by any of the parties to the dispute:

(a) a Commission code:

(b) an industry retail service quality code to which the service provider is a signatory:

(c) any other matter related to retail service quality.

(2) After section 241(2), insert:

(3) If an industry dispute resolution scheme receives a referral of a dispute between a consumer and a telecommunications service provider that is not a member of the scheme,—

(a) the scheme must accept the referral if the dispute is about a Commission code and the provider is not a member of any other industry dispute resolution scheme; but

(b) otherwise need not accept the referral.

35 Section 246 amended (Commission review of industry dispute resolution schemes)

(1) In section 246(2)(c), (3)(a), and (6)(a), after "scheme", insert "(if any)".

(2) In section 246(2)(h) and (5)(c)(ii), replace "dispute resolution provider" with "scheme provider".

(3) In section 246(6), replace "that the dispute resolution provider" with "that the scheme provider".

36 Section 247 replaced (Purpose of dispute resolution scheme)

Replace section 247 with:

247 Purpose of industry dispute resolution scheme

The purpose of an industry dispute resolution scheme is to ensure that, if a consumer has a dispute with a service provider in relation to one of the following matters, the consumer has access to a dispute resolution scheme for resolving that dispute in accordance with the principles set out in section 246(2)(f):

(a) a Commission code:

(b) an industry retail service quality code to which the service provider is a signatory:

(c) any other matter related to retail service quality.

37 Section 248 replaced (Purpose of dispute resolution provider)

Replace section 248 with:

248 Purpose of scheme provider

(1) The purpose of a scheme provider, in relation to an industry dispute resolution scheme, is to—

(a) operate the scheme; and

(b) manage consumer complaints; and

(c) investigate disputes; and

(d) promote awareness of the scheme; and

(e) monitor compliance with the scheme; and

(f) enforce the provisions of the scheme.

(2) A scheme provider may achieve its purpose by carrying out the activities listed in **subsection (1)** itself or by engaging a dispute resolution provider to carry out some or all of the activities on its behalf.

38 Schedule 1AA amended

In Schedule 1AA,—

(a) insert the Part set out in the **Schedule** of this Act as the last Part; and

(b) make all necessary consequential amendments.

39 Schedule 3B repealed

Repeal Schedule 3B.

Part 2
Related amendments to provisions inserted by Telecommunications Amendment Act (No 2) 2006

40 Section 156T amended (Process to apply before Part may be commenced)

In section 156T(1)(a) and (b), replace “industry-based complaints resolution system” with “industry dispute resolution scheme”.

41 Section 156UA amended (Appointment of consumer complaints system)

(1) In section 156UA(2)(a), replace “industry-based complaints resolution systems” with “industry dispute resolution schemes”.

(2) In section 156UA(2)(b), replace “Commission RSQ code” with “Commission code”.

42 Section 156W amended (Power to exempt service providers from application of consumer complaints system)

After section 156W(2), insert:

(3) For the purposes of subsection (1), **class of service providers** includes—

(a) telecommunications service providers who are members of a specified industry dispute resolution scheme; and

(b) telecommunications service providers who do not meet the threshold set out in **section 240A(1)** (providers who earn a gross annual revenue of less than $50 million (excluding goods and services tax) in any financial year).

43 Section 156Y amended (Requirements for consumer complaints system)

In section 156Y(4), replace “Commission RSQ code” with “Commission code”.

Part 3
Related amendments to Telecommunications (Civil Infringement Notice) Regulations 2007

44 Principal regulations

Section 43 amends the Telecommunications (Civil Infringement Notice) Regulations 2007.

45 Schedule amended

(1) In the Schedule, under the heading "**How to pay**", replace "either by cheque or by direct credit" with "by direct credit to [*account details*]".

(2) In the Schedule, under the heading "**How to pay**", table, revoke the items relating to By cheque and By direct credit.

Schedule
New Part 4 inserted into Schedule 1AA

s 38

Part 4
Provision relating to Telecommunications Amendment Act 2025

19 Telecommunications development levy under Schedule 3B continues to apply until new regulations made

Despite **section 39** of the Telecommunications Amendment Act **2025**, the annual amounts for the telecommunications development levy that are set out in Schedule 3B continue to apply until the first regulations made under **section 85B** come into force.

20 Existing material incorporated by reference

(1) This clause applies in relation to any material that was, immediately before the commencement date, incorporated by reference into any secondary legislation made under this Act.

(2) On and from the commencement date, the material must be treated as having been incorporated by reference in accordance with section 64 of the Legislation Act 2019.

(3) In this clause, **commencement date** means the day after the Telecommunications Amendment Act **2025** receives Royal assent.

Legislative history

21 October 2025	Introduction (Bill 212–1)
13 November 2025	First reading and referral to Economic Development, Science and Innovation Committee

Wellington, New Zealand:

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