

TELECOMMUNICATIONS INFRASTRUCTURE IN REGIONAL NEW ZEALAND: A CASE HISTORY



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KERRY PRENDEGAST — MAYOR OF WELLINGTON

○ *“Broadband technologies and airports are the two most significant investments that cities can make to enable them to compete in the global economy.”*
(Prendegast, 2005)

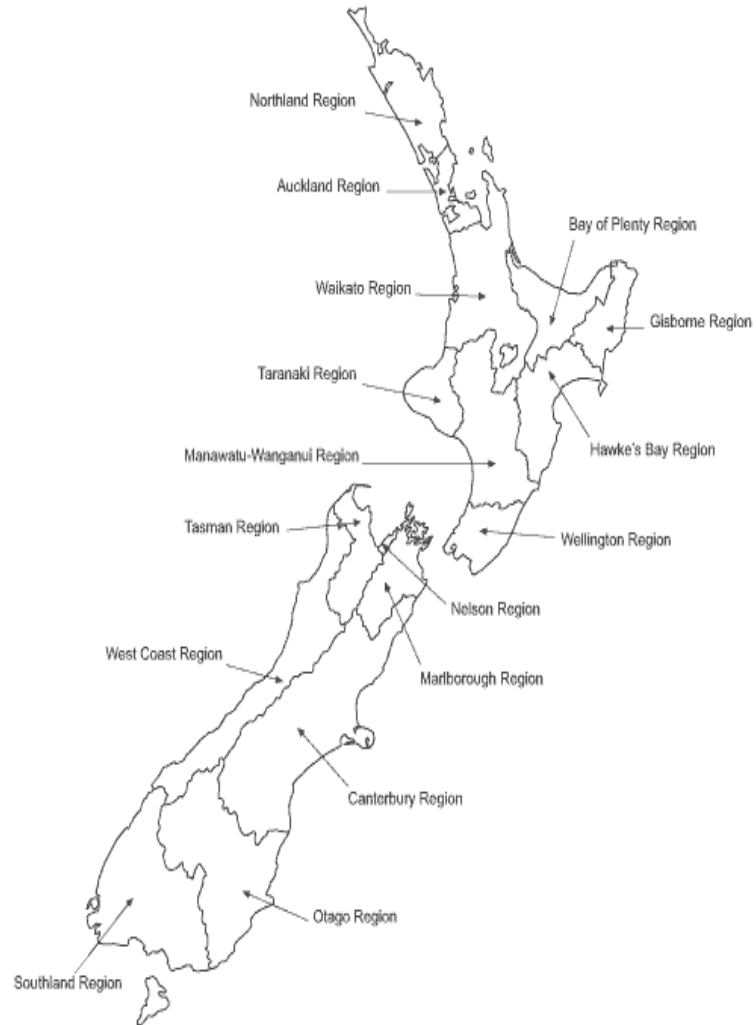


BUILD IT AND THEY WILL COME

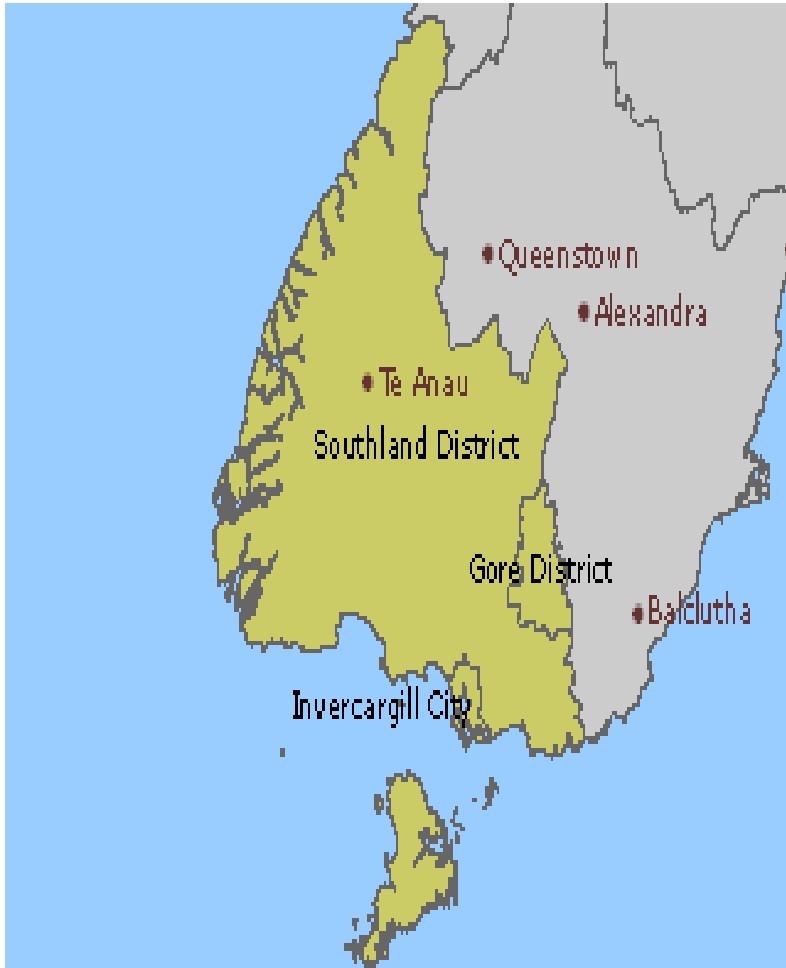


NEW ZEALAND

- High rates of internet access, ICT penetration & e-commerce
- 4 million people, >80% in 5 main cities
- Physical geography dominated by mountain ranges
- Remote location isolated from key world markets



SOUTHLAND



WELLINGTON



INNOVATING WITH ICT



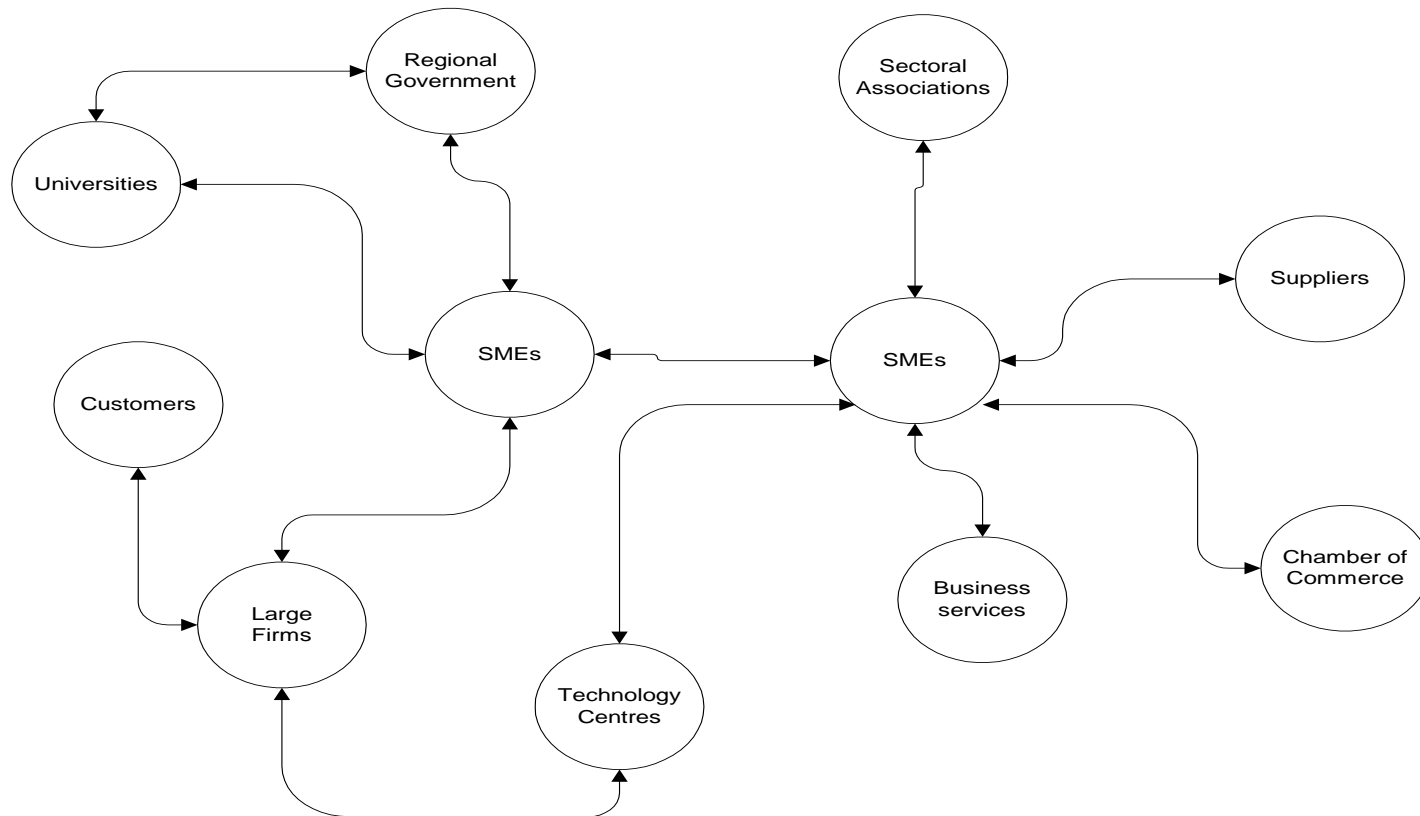
Serious Broadband



INSTITUTIONAL THICKNESS

(AMIN & THRIFT)

- “Lively interactions between firms, business associations, development agencies, innovation centres, unions and community groups”.

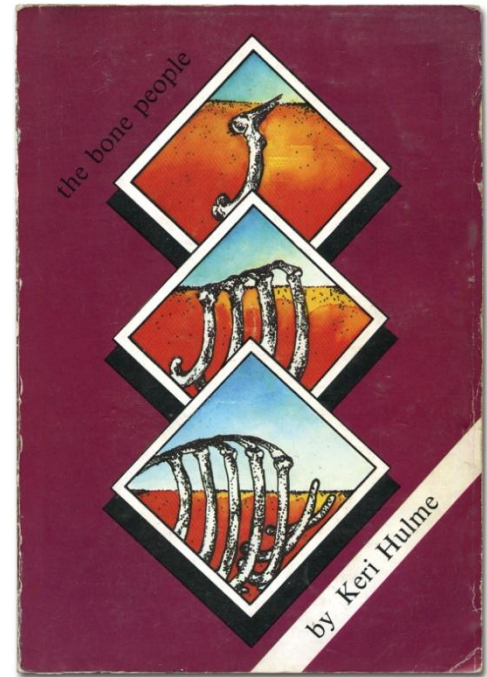


HISTORICAL METHODS

(MASON, MCKENNEY & COPELAND, 1997)

- Set of tools to address broad “big picture” questions
- Gathering evidence
 - Built up a 20 year history of the development of hard & soft networks in both regions
 - Primary sources are regional newspapers & National Business Review plus NZ statistics
 - Micro analysis for 1985, 1995 & 2005

1985



1985 - TELECOMMUNICATIONS

- Post Office monopoly
- Formation of NZTUA (later TUANZ)
- Beginnings of mobile telecommunications
- Wellington
 - \$46 million on telecommunications development
 - Optical fibre network between Government Printing Office & Parliament
- Southland
 - Subscriber Toll Dialling & PABX introduced
 - Post Office decides to charge farmers business rates for calls

1985 - REGIONAL DEVELOPMENT

- Resistance to plans to restructure local government in both Wellington & Southland
- Southland Promotions established



1995



1995 - TELECOMMUNICATIONS

- ***“It seems to be a year when the internet started to become of commercial age.”*** George MacGibbon, IT Manager at Fletcher Challenge
- ***“Everybody’s now saying I need to be on the network, I need to have mail.”*** Cyril Snow, Auckland HealthCare’s General Manager of Information Services
- Wellington
 - Vision for an “InfoCity”
 - CityLink
- Southland
 - Emphasis on building a reliable network

1995 - REGIONAL DEVELOPMENT

- Wellington
 - “Wellington Charter” aims to improve quality of life
 - Amalgamations & cuts in Local Council numbers
- Southland
 - Tourism Southland replace Southland Promotions



2005

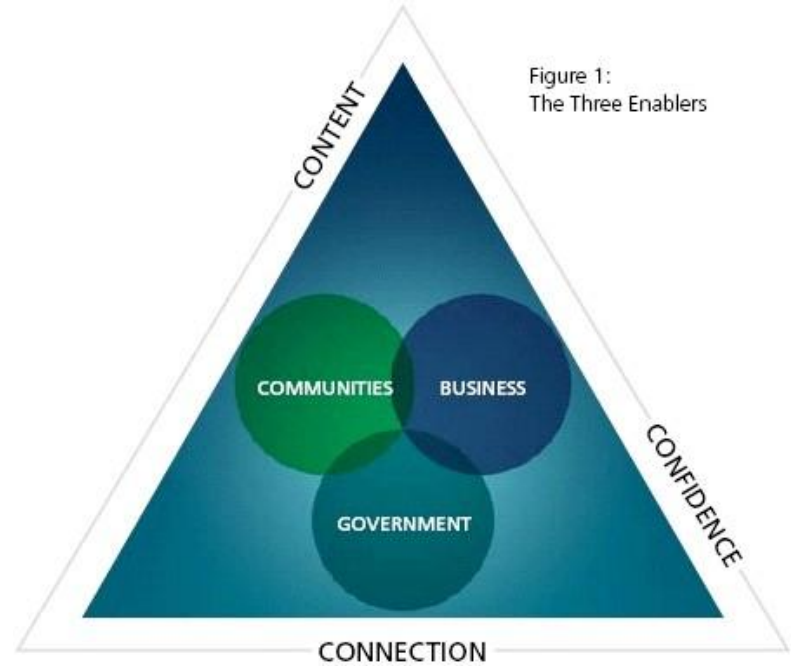


Figure 1:
The Three Enablers



2005 - THE NZ DIGITAL STRATEGY

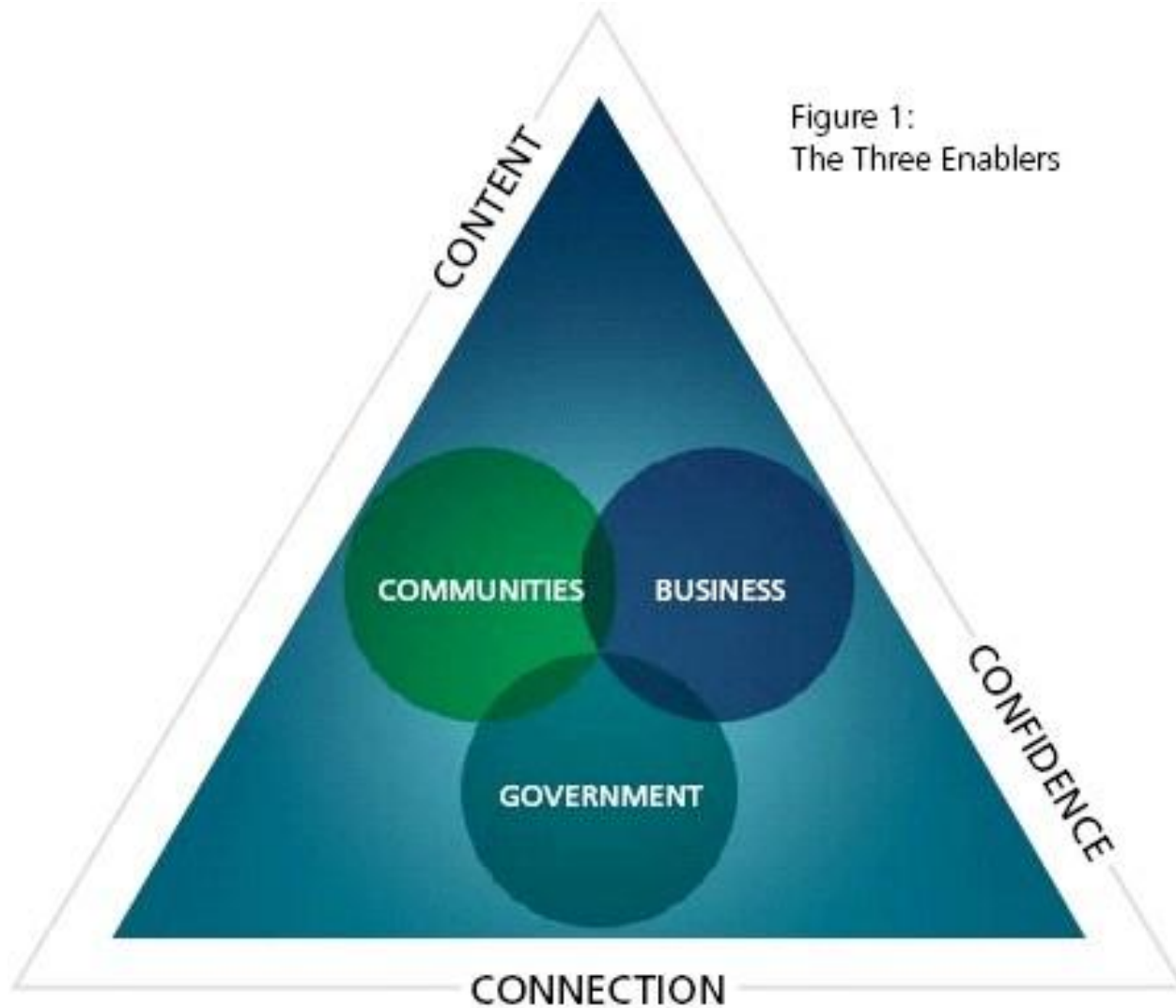


Figure 1:
The Three Enablers

2005 - TELECOMMUNICATIONS

- Broadband now available to whole country (Project PROBE)
- Pressure for high speed broadband
- Competition increasing in broadband and mobile markets
- Wellington
 - SmartLinx3
 - City Council develops ICT strategy
- Southland
 - Woosh
 - Need for a “killer app”

2005 - REGIONAL DEVELOPMENT

- Wellington
 - Regional Strategy Forum
- Southland
 - Venture Southland replaces Tourism Southland as of 2000
 - Reference to farming as a “twilight industry” not well received
 - Concerns about potential overlap with Environment Southland

SUMMARY OF FINDINGS

	Telecommunications	Regional Development
1985	Monopoly of Post Office is challenged	Restructure of local government resisted in both regions
1995	Use of the internet sparks growth in telecommunications. Wellington becomes an “ Info City” - CityLink	Tourism Southland set up to promote region. Wellington Charter aims to improve quality of life
2005	Explosion of interest in telecommunications especially high-speed broadband. Launch of Digital strategy Smartlinx3 in Wellington & Woosh in Southland	Launch of Regional Strategy. Venture Southland under fire from farmers

CONCLUSIONS

- Strong growth in telecommunications
- Widely supported by both national and regional government
- “Turf wars” at the regional level inhibit development of “institutional thickness”
- Clear progression of hard networks
- Less clear pattern of development of soft networks

THANKS FOR YOUR ATTENDANCE

- Questions
- Comments
- Suggestions