

## Radio Spectrum Fees Review 2015

Radio Spectrum Management Policy and Planning  
Ministry of Business, Innovation and Employment  
WELLINGTON 6140

### **SUBMISSION BY WAIKATO VHF GROUP Inc.**

**Introduction:** Formed in 1963, The Waikato VHF Group is a hobby radio club fostering interest in amateur radio communication on frequencies above 30MHz. In supporting that objective, our group has for over thirty years operated beacon transmitters for radio propagation monitoring along with VHF / UHF repeater stations and associated linking infrastructure for communication by amateur radio operators throughout this area. Twenty two radio licences are attached to facilities our group presently operate, and radio licence fees are the single largest expense our small membership is challenged to finance annually.

**Our position:** Amateur radio's national association in New Zealand (NZART) provides its own licence engineering carried out by member ARE's and ARC's, so no call is made on RSM for this service. Similarly, investigating interference to/from facilities we operate is likely, at least initially, to be carried out by our own membership – only if it needed to be escalated and involved a commercial service would RSM likely become involved. The Register of Radio Frequencies includes licences for amateur radio fixed installations, and as some of those facilities share sites with commercial installations, that potentially provides the only benefit we derive from having entries in the Register – our license records are publicly accessible. We don't see evidence of amateur radio licences or facilities incurring costs for RSM beyond some very basic record keeping, with minimal change year to year.

Our members and those utilising facilities operated by us are particularly concerned about any proposal to increase annual licence fees for amateur radio licences (Class OA1), especially by the amount proposed. With many of our members on fixed incomes, opportunities for deriving additional income are strictly limited, so any increase in licence fees would quickly exceed our small group's resources to fund. Amateur radio is an international hobby encouraging scientific learning and practice in the art of radio communication. Skills gained by those participating in our hobby benefit the wider public from time to time through our members assisting with communications for emergencies and events. Our group, and similar radio clubs throughout New Zealand, rely heavily on donated personal time and funds, and no commercial revenue is derived. Setting membership subscriptions is a fine balance between covering outgoings and eroding financial support by driving down voluntary membership of a not for profit organisation. The proposed increase of potentially up to 413% (6 years to zero Memorandum Account) on what is presently paid for OA1 radio licence fees is not able to be recovered from membership, so substantially scaling back services we provide is likely to be our only other option, which in itself will reduce support from those joining as members. In short, our hobby group would be financially crippled if proposal 2 were implemented. We consider it highly unjust that fees for amateur radio facilities are proposed to be aligned at the same rate as those for facilities serving commercial enterprises, substantially increasing the former while reducing the latter!

The Waikato VHF Group responds to each of the proposals in this Consultation Document as follows:

**Proposal 1.** *Set fees based on the level projected to reduce the memorandum account balance to zero in six years, with a subsequent increase in fees to balance revenue and expenditure.*

Response: Constrained by essentially a fixed income, **we can't support any fee increase for OA1 class licences.** We also recognise amateur radio licence fees (accounting for less than 1% of licences recorded in the Register) have not contributed in any significant manner towards the memorandum account balance. Even over the shortest time frame (2 years) to reduce the memorandum account's balance to zero, that potentially creates a substantial escalation of radio licence fees for OA1 class licences if a uniform fee were introduced across all licence classes.

**Proposal 2.** *Introduce a single licence fee for all licence classes.*

Response: **Strongly disagree.** Amateur radio is a personal hobby, in which clubs like ours rely entirely on member donations and annual subscriptions to fund services we provide. Individual amateur radio operators don't pay a licence fee, however RSM is suggesting radio licence fees for stations operated in amateur bands to support our hobby should bear fees aligned with those payable by commercial organisations. The consultation document does not present any justification for aligning OA1 radio licence fees payable by hobby organisations like ours with fees payable for other classes of licence applicable to commercial organisations operating services for (sometimes considerable) profit.

**Proposal 3.** *Discontinue the licence categories for land mobile multiple repeaters on a common channel throughout New Zealand (LR1 and LR2) and multiple radio transmitters on a common frequency for paging (LP1).*

Response: Does not apply to the amateur radio service, so **doesn't concern us.**

**Proposal 4.** *Remove the discount for online payment and reflect the discount in the calculation of the base licence fee.*

Response: The benefit our not for profit group derives from this discount equals nearly four annual subscriptions, and should it be removed, that would amount to another significant cost increase for us. Therefore **we do not support this proposal.**

**Proposal 5.** *Introduce a manual processing fee of \$25 to recover the administration costs of paper-based payments.*

Response: **Neutral on this,** so long as electronic payment options remain available.

**Proposal 6.** *Remove the Licence Interference Investigation (LII) rebate.*

Response: **Neutral on this** also, as we've never used it.

Approved unanimously by those members of;  
The Waikato VHF Group Incorporated  
PO Box 606, Hamilton 3240, New Zealand  
present at their general meeting held in Hamilton on  
22 November 2015