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NZ Relay Project Team
ICT Policy and Programmes
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Dear Team

Submission on the Future of the Telecommunications Relay Service with four supporting documents

Introduction

I am a 73-year-old male diagnosed with an auditory processing disorder that cannot be assisted with hearing aids. This means that I will become ever-more dependent on captioning to remain connected. I have extensive experience with telecommunications relay services in New Zealand and abroad having worked in the field for 23 years and four procurement cycles with MED/MBIE plus others overseas. I am the only non-American to ever be admitted to the National Association of Relay Administration and the Telecommunications Equipment Distribution Program Administrators in the USA and have been a frequent invited speaker at Relay and M-enabling conferences in Australia, Sweden and the USA.

MBIE's consultation on the NZ Relay Service has been designed with no apparent input from the relevant NGOs. The consultation has been:

- Via on-line meetings, but many hard of hearing people, representing the largest potential NZ Relay user group, do not have broadband, a computer or other device to allow them to participate in on-line meetings.
- Devoid of public meetings around the country well supported by advertising in major newspapers to reach the digitally excluded.

As far as I can establish, the only general publicity for this consultation has been a mention in the NZ Herald and more recently on Facebook. The latter is inaccessible to those with no broadband or device. Hence, many potential users who would benefit from a modern TRS will be unaware of the consultation opportunity.

If one is lucky, when going to the NZ Relay home page one may see one pane in a rotating series that mentions the consultation.

The closing date for submissions was extended from 6 July to 20 July after it was discovered by chance that MBIE had not directly informed the relevant NGOs nor the Telecommunications Carriers Forum that the consultation was open.

The budget for TRS procurement was \$564k last year and is \$325k this year.¹ MBIE advised in an OIA response 29 June 2026 that: “As at 29 June 2026, expenditure for the procurement of telecommunications relay services was \$38,790. This figure is unaudited due to the end-of-financial-year process and does not represent the final expenditure for the 2025/26 financial year, which concludes on 30 June 2026.

For context, as part of Budget 2026 technical adjustments, a new Departmental Output Expense category—Procurement of the supply of telecommunications relay services and platforms—was established within the appropriation Media and Communications: Services for Deaf, Hearing Impaired and Speech Impaired People MCA (M8) (A17). This change was necessary to enable procurement-related costs for the future service to be appropriately recognised within the scope of the appropriation. Funding for this category was made available to the procurement team on Budget Day (28 May 2026). The original funding request had assumed that procurement activity would commence earlier in the 2025/26 financial year. Given the timing of funding availability, there was insufficient time to initiate procurement activity prior to the end of the financial year without increasing the risk of a technical breach of appropriation. Consequently, an underspend is expected for 2025/26. To address this, the Budget Technical recommendations included provision to transfer any underspend in the new Procurement of the supply of telecommunications relay services and platforms category from the 2025/26 financial year to 2026/27. This will ensure that the full amount of appropriated funding remains available for its intended purpose.”

MBIE has the funds to hold inclusive public meetings that should be advertised in the major metropolitan newspapers but has chosen not to despite such consultation affecting over 200,000 people and only being undertaken every 6-9 years.

The delay in procurement activity does not bode well for a new contract to be in place and a service operational by 8 May 2027 when, as advised by Minister Goldsmith, the validity of the current contract expires. The MBIE project plan requested under the OIA to which a response was received 29 June 2026 has been redacted in part making critical analysis impossible. I foresee that MBIE will go to market with unrealistically short response and evaluation times as it did in 2019. This may result in only one bid being received from the incumbent provider. One does not want to see a repeat of two contract extensions each for one year and the payment of \$939,000 of taxpayer funds for no service on take or pay contract extensions that occurred due to lack of informed planning, including budget, by MBIE ICT Policy & Programmes when it last went out to RFP for a TRS provider. I submit that based on numerous TRS procurement projects that I have been involved with it requires 26 months for such a project to be professionally conducted from planning and consultation through to the launch of new services.

Topic 1

Observations about the current services provided by NZ Relay:

Text relay. The use of text relay is in decline in other first world countries as the use of AI based speech-to-text and text-to-speech have exploded in popularity together with more countries offering VRS, VRI or VIS (VIS being the Nordic model for delivering VRS and VRI that New Zealand adopted).

Captioned relay. The current service in New Zealand is excessively cumbersome to use. A survey carried out by Concentrix in 2021 has been analysed and is presented as Attachment 1 to this submission. In it 47 out of 48 former CapTel respondents regarded the supposedly better service touted by MBIE and Concentrix as unusable. Annual usage is 1,500-2,000 minutes. This compares with

¹ Source: <https://www.treasury.govt.nz/sites/default/files/2026-05/est26-v1-buscin.pdf>, pg 44

Sweden where an AI based service became available in 2018 and the usage is now at 4.4 million minutes p.a. on a pro-rated population basis. Calls are confidential because there is no human intermediary. The current service using human operators to re-voice speech is a leap backwards from CapTel in terms of usability that ran at 360,000 minutes of use for several years despite the lag between audio and captions and was two-way with 52% of calls outbound and 48% of calls inbound.

Speech to Speech. Usage of this service has always been low. It is a 1990s solution invented by Dr Bob Segelman in the USA whose cerebral palsy affected his ability to speak clearly. The modern solution is AI-based text-to-speech where the user types the word, phrase or sentence that they cannot articulate that is then converted by AI to speech in a male or female voice. Calls are confidential because there is no human intermediary. Usage of AI-based text to speech is many times that of speech to speech.

TTY voice carry over. TTY production ceased in 2010. The service is obsolete and replaced by the audio and RTT components of an ITU-T F.703 compliant multimedia app.

TTY hearing carry over. TTY production ceased in 2010. The service is obsolete and replaced by the audio and RTT components on an F.703 compliant multimedia app. F.703 was last updated in 2018.

TTY to voice. This is obsolete and superseded by text to speech with no need for a human intermediary.

Video Interpreter Service. This service in New Zealand is, by analysis of call data, essentially a one-way service for New Zealand Sign Language users supported by proprietary Teams and Zoom silos. It is not integrated into the global telephone network numbering plan, and neither is it integrated in the NZ Relay app. So, while Deaf users can call to the relay centre and thence to the required party, callers cannot easily make incoming calls to Deaf people. Data from Norway where all users have a national telephone number and both-way direct dialing is available with the automatic inclusion of a sign language interpreter before the called party is rung shows 60% of calls are outbound and 40% inbound. The Norwegian service is telephone equivalent. Telephone numbers have been assigned to videophones used by Deaf in the USA for many years.

Phone user. The current service does not allow any person to easily initiate a call to communications disabled person. If it did this would be evidenced by the Make a Call/Receive a Call analysis. See Attachment 2.

Services used

For a detailed analysis and expert commentary on the first four years of the Concentrix provided service see Attachment 2 to this submission.

The NZ user communities that should benefit from a fit for purpose TRS have the following approximate sizes:

- Deaf 4,000
- Deafblind: 650
- Speech impaired 20,000
- Hard of hearing needing captioning 180,000

It is misleading of MBIE to state the NZ Relay app (Captioned and Text Relay, combined with web Text Relay) are the most used services when in fact there is insignificant use of the unfit for purpose captioned relay service.

The NZ Relay app does not have the specific attributes required by Deafblind people.

The services you use

I do not currently use NZ Relay. However, because of my auditory processing disorder I know that I will increasingly need captioning (I already use this for television) and for telephone calls during the next contract period. Regarding why other people have stopped using the NZ Relay captioning service, see the analysis of former CapTel user survey respondents, Attachment 1.

Future services

TTY has long been replaced by Real Time Text. If a TTY user relies on the tactile feedback from their TTY then they can be supported for RTT with a tactile keyboard that has a Bluetooth connection to a smartphone, tablet or other device. End user demand has moved almost entirely away from PC and Mac to mobile devices, i.e. Apple iOS and Android. PCs are used by NZSL interpreters at a relay centre.

Speech-to-speech is replaced with text-to-speech that does not require a revoicer. The service allows the speech disabled user to direct dial the person with whom they wish to converse and to use their own voice where possible and to type any word, phrase or sentence that they cannot articulate that is then converted to speech in a male or female voice. Similarly, a non-communications disabled person can direct dial the speech impaired person. Or two people with different communications disabilities can directly dial each other and communicate.

The current outreach is not working because many potential users, especially the elderly are on the wrong side of the digital divide, not having broadband or a device. Hence, they do not have access to web pages or Facebook. There has never been any sustained mass market advertising of the service despite frequent urging of the previous provider by MBIE and hence many people are unaware that the service exists. A dedicated annual outreach budget is required. The relevant NGOs do have channels to reach their memberships but need to be paid for the use of their resources. They also need to be convinced that the services offered by NZ Relay are fit for purpose for their members. A stumbling block to reaching out to NGO members now is the increase in cost to post a letter using NZ Post, minimum \$3.60. NFDHH's magazine was posted to 18,000 people.

Future services must:

1. Support people with multiple disabilities e.g. a stroke victim that has hearing loss and speech disability and in some cases motor disability that requires specialized input/output devices. The current service compartmentalizes people into one of four groups with no apparent recognition of combinations of disabilities.
2. Support Deafblind users with Braille compatibility, font selection, size, foreground and background colours for low vision users and adjustable reading speed for Braille.
3. Support two-way calling for all services with the assignment of a national (preferably non-geographic) telephone number to each end-user.
4. Support integrated audio, video and real time text communication methods in a single application for users that require NZSL interpreters in a relay centre. (The current app does not do this).
5. Utilise AI to support people with hearing loss and speech disability or both using an app that does not require a Relay Assistant and provides complete call confidentiality. AI removes the delay in captioning calls by a revoicer. This is a vital additional metric to speed and accuracy in a fit for purpose captioning solution. The approx. 2 second minimum delay between receiving audio and captions was a major reason that people stopped using CapTel. Another was delay in

receiving captions after the called party had answered. If text required corrections the delay could extend to 4 seconds making the service unusable. It did not improve under the current provider that uses the same voice recognition engine as CapTel. AI solves these problems.

6. Emergency calls via the NZ Relay service, be they through a centre with NZSL interpreters or via an AI-based service supporting speech-to-text and text-to-speech all be directed in a prioritised manner to the relay centre or the 111 Initial Call Answering Point so that NZ Police can dispense with the obsolete TTY and facsimile methods as well as the non-prioritised TXT111 service. This will give communications disabled people equivalent access to emergency services that hearing-oral people enjoy. (As a person who has experienced an acute myocardial infarction on more than one occasion and knows the difficulty of articulating an emergency message at a rate of one word per breath I am very conscious of the additional difficulty a communications disabled person faces in such a situation). Recording the audio, video and RTT content of an emergency call should be possible with one icon click because such recordings have previously been requested by NZ Police.
7. Deliver high system availability that the wider public enjoys with telco-grade services. This typically requires core system duplication to overcome natural disasters and events such as the Auckland Convention Centre fire that resulted in the CSD relay centre having to close for several days, a fibre cut at Counties Power that isolated the system from users, and other incidents.
8. Effective promotion of the service to all potential users including those who do not have an internet connection or access to the web and social media platforms. Postal service may be required at \$3.60 per letter plus production costs to get information to those not digitally connected. The MBIE Communications Team should be able to give expert advice to the Relay Consultation Team and ICT Policy and Programmes on this matter.
9. Be affordable to low-income users in terms of broadband and devices. The core of the former MED Textphone Pool Business Case written in 2003 remains valid today, i.e. affordability. See Attachment 4. Note that demand was lower than forecast because the then provider introduced Internet Relay from service commencement and funds were repurposed to establish the VRS and later VIS.

For further information see Attachment 3: Requirements for a Telephone-equivalent Telecommunications Relay Service. The bulk of any RFP evaluation weighting should be placed on the TRS user requirements. Seventy percent is recommended. Price should be a weighted criterion scored around the mean bid, not be a separate envelope system for which there is no structured evaluation method or auditability. It seemed to be a feature of RFP 680 to allow MBIE to select a provider for an underfunded project that by internal vote transfers it could sign a contract with at the last minute. Given that the budget is in the public domain on the Treasury website it must be disclosed in the RFP specification so that proponents locally and from abroad are not misled. One gets what one pays for.

Topic 2: Misuse

Misuse is avoided by issuing the communications disabled users with a user software license that includes a unique national telephone number. License holders should have an app that automatically registers and authenticates when launched, making it unnecessary to manually log-in. For the receipt of incoming calls, even when the app has not been launched, Push technology must be incorporated into the service.

Misuse and harassment of relay assistants is also minimised by fit for purpose operational directives as used by CSD in the previous relay contracts together with the use of an AI app for the majority of users.

How the current provider classifies people as “Not a Community Member” is unknown but one would hope that it knows that hearing-oral people have a need to call communications disabled people?

Impact of registration

Assuming that NZ Relay has standards-based fit for purpose apps in future, users would have to register to be issued a license for an Over the Top (OTT) app with a non-geographic telephone number. (Note that MBIE’s last RFP required the app to use the native telephone number of a smartphone. Neither Apple nor Google allow OTT app developers access to the native telephony functions of a smartphone hence another number is required for the app). Users should be able to retain their app number with any change of relay provider in the same way my mobile number has been unchanged for 38 years. They may also be issued with a device onto which the software is pre-loaded. The advantage of a license-based system that is fit for purpose and lower costs for high usage. See Attachment 1: Analysis of the first four years of Concentrix service, for some comparisons with the per minute compensation method used in the USA and how AI has impacted the IP Captioned Telephone Service compensation rates there.

Support needed

While a portion of users will be technologically literate in terms of smartphones and tablets many elderly are unfamiliar with terms such as broadband, router, wi-fi, passwords, Session Border Controller, authentication codes etc. Users are scattered across the country. Support is required with:

- Application for a terrestrial broadband connection where possible or Low Earth Orbit satellite data service
- Wi-fi setup including password and pairing to the device
- Installation and initial setup of software
- Assistance with making and receiving the first few calls to overcome the new technology fears of many seniors
- Setup of dial-by-name icons for frequently called numbers

These services are best provided by NGO staff who know their members and have the empathy and knowledge to assist them successfully. Of course, this requires new funding for staff time, training and travel reimbursement because NGOs do not have any spare capacity, in fact many are stressed with having fewer staff and resources than was the case when MBIE issued RFP 680 in 2019.

Other ideas

Use the operational procedures implemented by CSD, an experienced provider, under the previous contract to limit the impact of prank calls on Relay Assistants.

Topic 3 Cost-benefit analysis

To comply with the Government Rules of Sourcing and the production of a Procurement Plan economic cost-benefit analysis taking into account matters such as increased participation in the workforce enabled by a modern TRS, the resulting increase in income tax income to the Crown, the causal link between hearing loss and dementia and associated support costs, the link between diabetes and hearing loss, and the possible zero-rating of data generated from and to TRS apps by the telcos is required. This essential work by MBIE will inform an holistic Business Case and the Procurement Plan. If MBIE does not have the requisite expertise in-house, then other government agencies such as Health

New Zealand and the Ministry of Disabled People may be able to assist with a whole of government approach. There are also well-known private sector economic consultancy firms that MBIE can turn to for assistance.

MBIE should approach its TRS procurement as a social services procurement, not a technology procurement.

MBIE's cost benefit analysis should include examination of the benefits of new video and audio codecs. While these require more processing power in the device, they lessen the amount of data used. This is especially important for Deaf NZSL users communicating by video. When MBIE last asked for TRS bids the H.264 codec was supported for 720p video. A better codec designated H.265 was available at the time to halve the data usage for the same video quality but the licensing cost was high and device processing power not quite adequate. Then Google made available its VP9 codec free with equivalent performance to H.265. The benefit of using high-definition video is mainly felt by the NZSL interpreters who receive crystal clear video that reduces the concentration required and the risk of burnout. To look at a VGA monitor displaying video after using HD on a 24" monitor it appears fuzzy. In short there is a trade-off between device processing power required for an advanced codec and ongoing broadband usage costs. The trend is that processing power and memory are increasing in both iOS and Android devices as well as PC and Mac products so that VP9 can now be used.

Topic 4 Equipment Distribution Programme (EDP)

For a TRS to be successful in New Zealand an EDP is required. Experience from the CapTel rollout showed that the 50% subsidised price for a CapTel phone (\$323) was too high for many people to afford.

Generally, smartphones are now considered ubiquitous. They are not provided as a part of an EDP in Norway or Sweden. Some US states provide them. For use with a modern system the most popular end-user device among seniors is iPad all with Wi-Fi and with or without a SIM card due the preference of seniors for a larger, easier to read screen. Fortunately, these cost approx. 1/3 that of an iPhone.

An iPad by itself can still present the user with challenges that require extra equipment to be successful. For example:

- A protective folder / stand for the iPad
- An external tactile keyboard
- A Braille reader (20 or 40 characters)
- A visual / vibrating call alerting device that may be worn like a watch or pendant
- External microphone or headset

iPads can be sourced at the lowest price from an All of Government contract.

A number of iPads should be on hand with the relay service provider for immediate loading of software and despatch to the user. Past experience in New Zealand has shown that peripherals should not be held in stock but sourced on demand according to user needs.

Advanced speech-to text systems now support Android devices but with a limitation on the identification and labelling of individual voices on captioned conference calls.

Topic 5 Funding

The TRS budget has barely increased since 2003 and is \$5.59m (excluding procurement) for 2026/27.

For the deployment of a modern system and to meet suppressed demand the budget needs to be at least quadrupled initially.

In the USA the Federal Communications Commission administers the TRS Fund (the Fund). The Fund is required by legislation to be fully funded to meet consumer demand. The Fund amount varies yearly based on the previous year's actual expenditure together with forecasts for the current year. The

source of the Fund is a levy on the telecommunications carrier companies. (The latest available turnover figures are AT&T \$125.6bn, T-Mobile \$88.31bn, Verizon \$138.19bn, total \$351.5bn. The Fund levy for 2026-27 is \$1.8bn equating to 0.51% of telco turnover).

In New Zealand the Telecommunications Development Levy has been as high as \$50m p.a. I understand that it is currently approx. \$12m. The Levy amount is currently subject to legislation in The Telecommunications Act 2001, but I understand there is a plan to change it to regulation and that change should happen before the general election in November. Hence funding for the TRS can be increased should the Minister of Media and Communications choose to do so. At a mature relay service level of Levy of \$37m p.a. this equates to approx. 0.52% of current telco revenue, very similar to that in the USA.

It is my opinion that unless funding for the TRS is at least quadrupled initially MBIE will not be able to attract bids from capable organisations offering modern, proven services that truly enhance the working and private lives of communications disabled New Zealanders. The current lack of funding is compounded by the view formed after its last TRS RFP, including its budget obfuscation, that as far as potential relay service providers are concerned MBIE is no longer a core customer but instead a nuisance customer. MBIE must present a commercially sensible specification to the market and directly inform the leading global providers that an RFP has been released, not expect that capable organisations have registered with GETS and actively scan listings. New Zealand is a small market that has to work harder to attract leading firms to participate in projects. Having spoken to the senior management of several overseas providers over the years I know that most are uninterested in New Zealand due to the small market size, cultural differences and inadequate budget.

The underlying infrastructure to support a modern TRS is the Ultra-Fast Broadband network that cost \$5.5bn. *The benefits of UFB are wide-reaching and help New Zealanders to not only engage in business, trade and tourism but has also been essential to support home education, social connection, as well as business productivity over the last few years. The programme was continually extended at completion the final towns to be covered were small communities including townships such as Haast, Ōwhango, Tuatapere and Eketāhuna.*²

I request that this submission and its attachments be published unredacted including my name and contact details on the MBIE website.

Yours sincerely



Paul Buckrell



Attachments:

1. Analysis of Concentrix survey conducted with former CapTel users May 2021 Rev E
2. Analysis and commentary on the first **four** years of the Concentrix supplied Telecommunications Relay Service in New Zealand Rev E
3. Requirements for a Telephone-equivalent TRS Rev B
4. 

² Source: National Infrastructure Funding and Financing website