New Zealand Telecommunications Relay Service

the aftermath of a self-declared 'robust' procurement process by Ministry of Business Innovation and Employment

Analysis and commentary on the first **four** years of the Concentrix supplied Telecommunications Relay Service in New Zealand

by

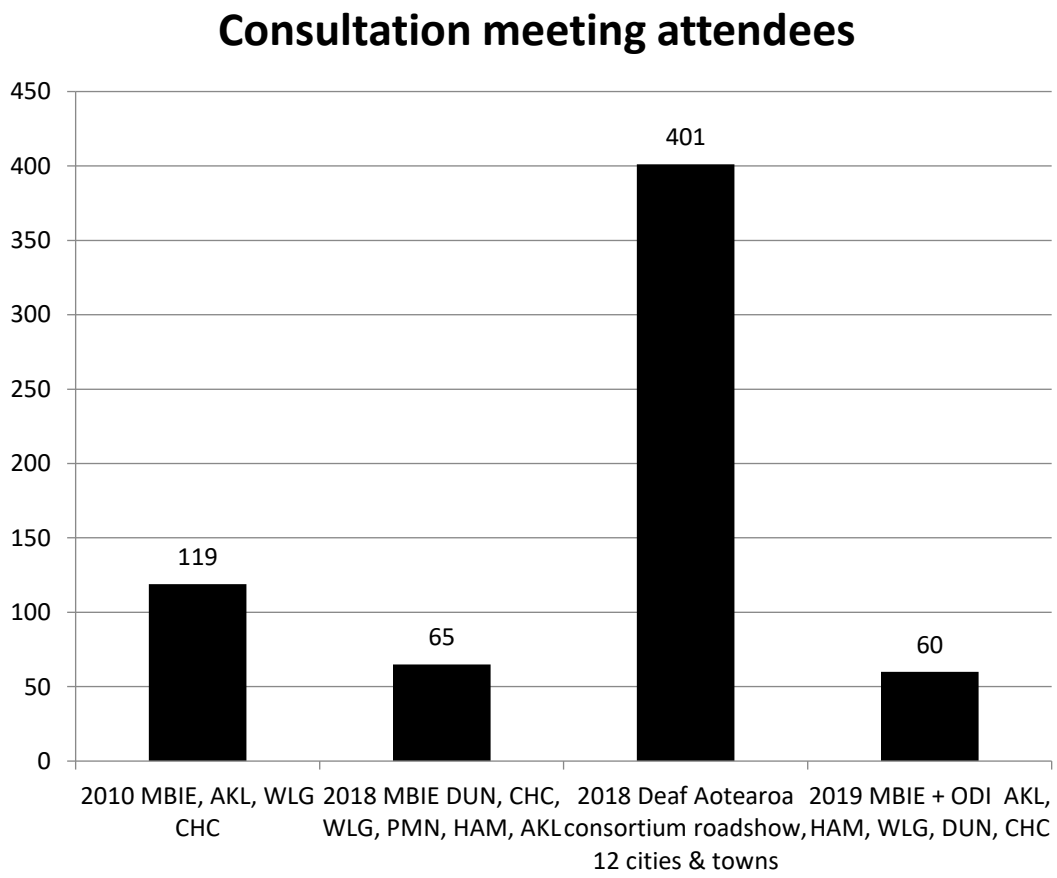
Paul Buckrell CMEngNZ (retired)

Purpose of this presentation

- To help guide policy development, funding and procurement of a fit for purpose Telecommunications Relay Service that serves Deaf, hard of hearing, speech impaired and Deaf-Blind people when the service is next put to RFP by MBIE or another government agency for service to commence in 2027
- Under a new contract all services must be two-way
- All services must be easy to use and telephone equivalent
- There must be the same prioritised access to 111 emergency services as hearing-oral people enjoy

The beginning: Public consultations on the Future of the Relay Service to inform policy

- MBIE consulted the public in 2010, 2018 and 2019 on the relay service with progressively poorer turnouts to its public meetings attended by mainly Deaf people and a few hard of hearing people. This was due to a lack of engagement with relevant NGOs, poor venue choices and times
- By contrast, when the NGOs ran an informative 2-week roadshow to demonstrate modern relay technologies and solicit feedback it attracted 401 Deaf, DeafBlind, hard of hearing, speech impaired and autistic people



Source data for period 1 Feb 21 – 31 Jan 25

- Several OIA requests were made to MBIE for Concentrix monthly reports. Redactions made proper analysis impossible, so MBIE was then asked to enter the required statistics into a formatted spreadsheet.
- The source data that is the basis of this analysis was provided by MBIE in response to nine OIA requests:
  - DOIA 2122-0710
  - DOIA 2122-1016
  - DOIA 2122-1534
  - DOIA 2122-1756
  - DOIA 2223-0035
  - DOIA 2223-1740
  - DOIA 2324-1283 (contained incorrect data that had to be corrected)
  - DOIA 2324-1883
  - DOIA-REQ-0014091 (contained incorrect data that had to be corrected)
- Charting the data showed obvious anomalies in two instances requiring requests for correct data to be supplied

Abbreviations used in source data and analysis

AHT = Average Holding Time (This is the conversation time)

App = Application

ASR = Automatic Speech Recognition (modern AI captioning technology)

MAC = Make a Call

OB = Outbound

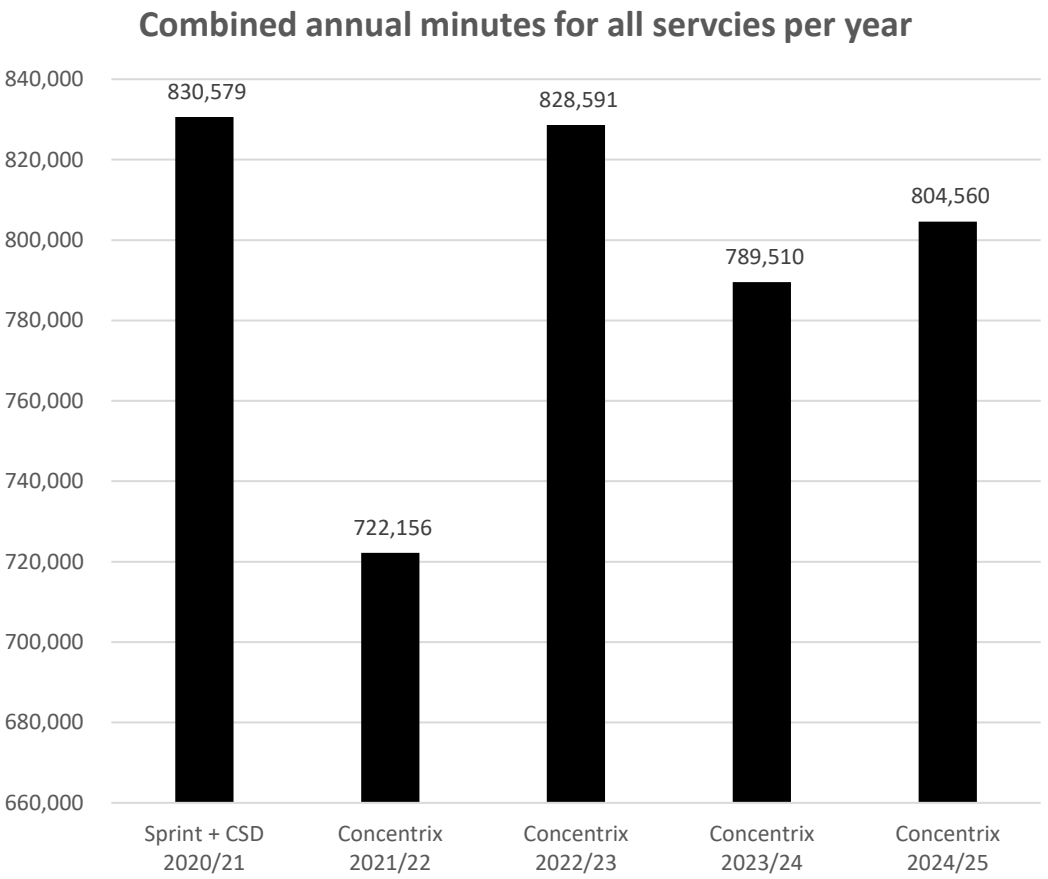
RAC = Receive a Call

TTY = Teletypewriter

STS = Speech to Speech

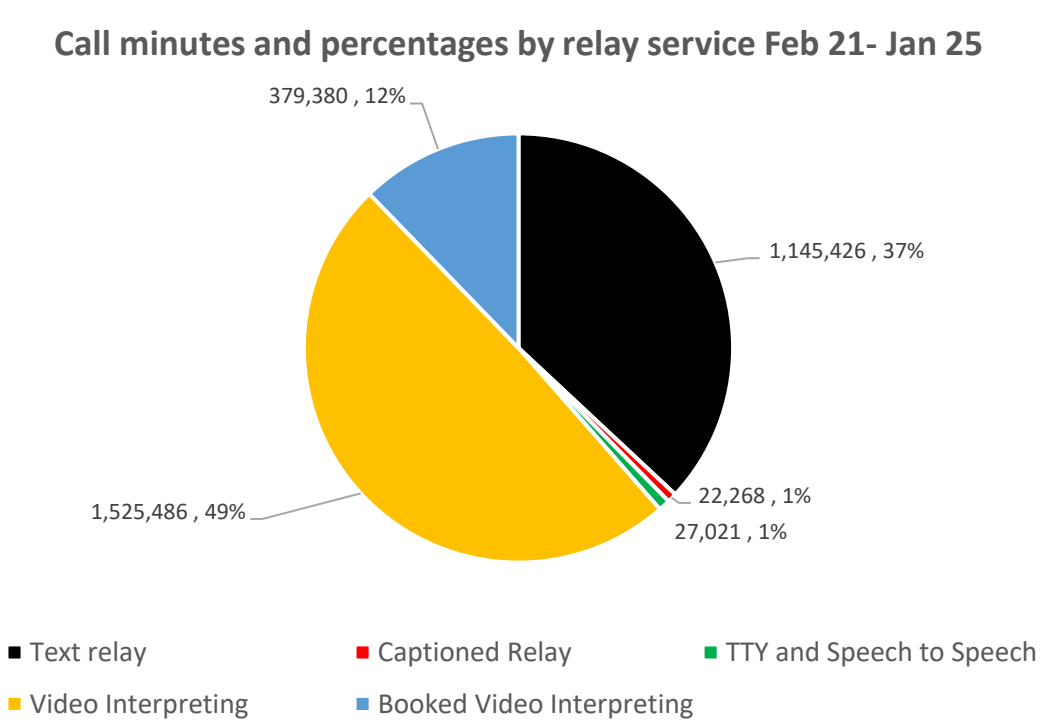
VIS = Video Interpreting Service

Annual comparison for all TRS service call types



- 22.2% reduction of annual minutes with Concentrix in 2021-22. This is attributed to the change of provider being made at the worst time of the year and poor communication to existing and potential user communities
- Total call minutes have not recovered to the level of Sprint and CSD's final year of service. One would expect that the new service would be superior to that it replaced and attract more users and usage

Percentage distribution of call types excluding help desk calls

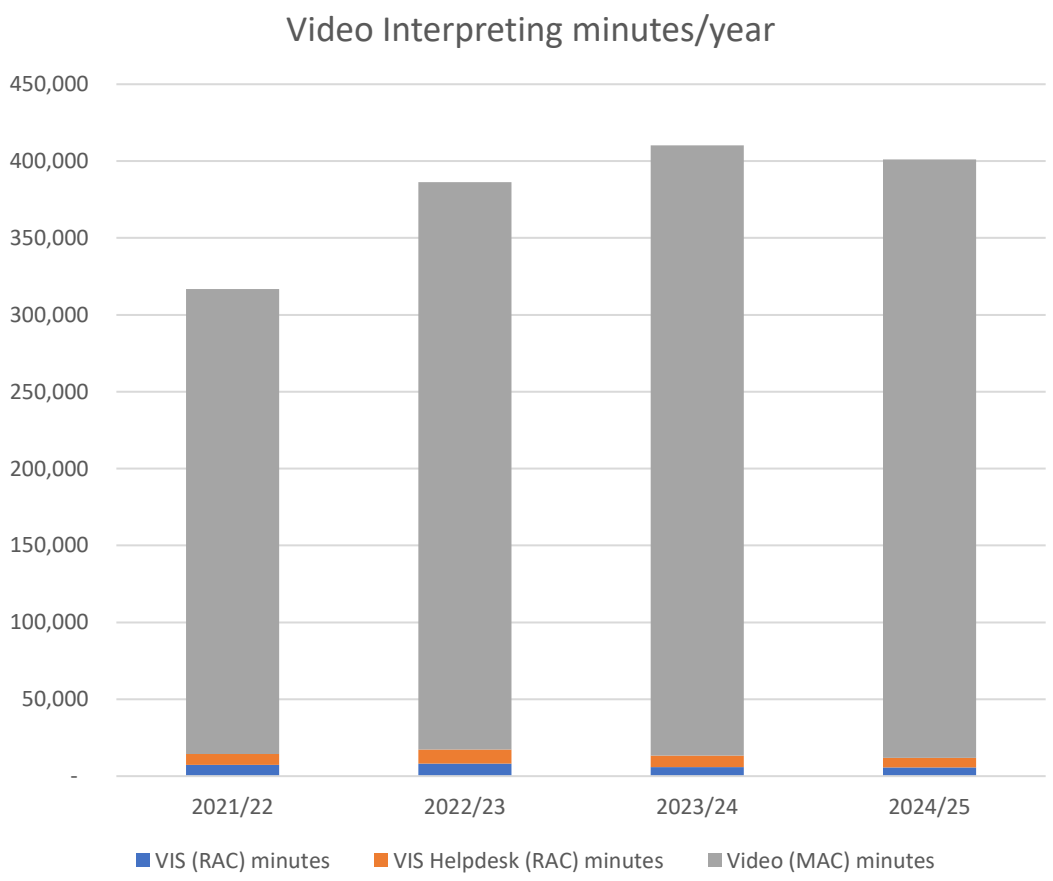


- The Concentrix service is dominated 61% by VIS and booked VIS calls by Deaf people confirming again that Deaf people prefer to communicate in their first language, NZSL.
- That 37% of calls are textual is an indictment in this day and age where users want telephone equivalence, i.e. to speak to another person by using their voice with AI assistance and to hear using residual hearing and AI captioning or to use NZ Sign Language
- 0.86% is TTY and Speech to Speech calling. With a good text to speech app to supplement a speech disabled person's voice this segment should be much larger given the estimated speech impaired population is 20,000 persons
- 0.7% is Captioned Relay. The largest user group is hard of hearing at approximately 180,000 people that could be helped with fit for purpose captioned relay compared to 4,000 Deaf NZSL users. With a fit for purpose captioned call system, captioned call service should dominate. That it does not confirms that the Concentrix service is not fit for purpose
- For people that are speech impaired and hard of hearing there is no suitable service. Similarly for DeafBlind people

Comments on Annual Call Minutes

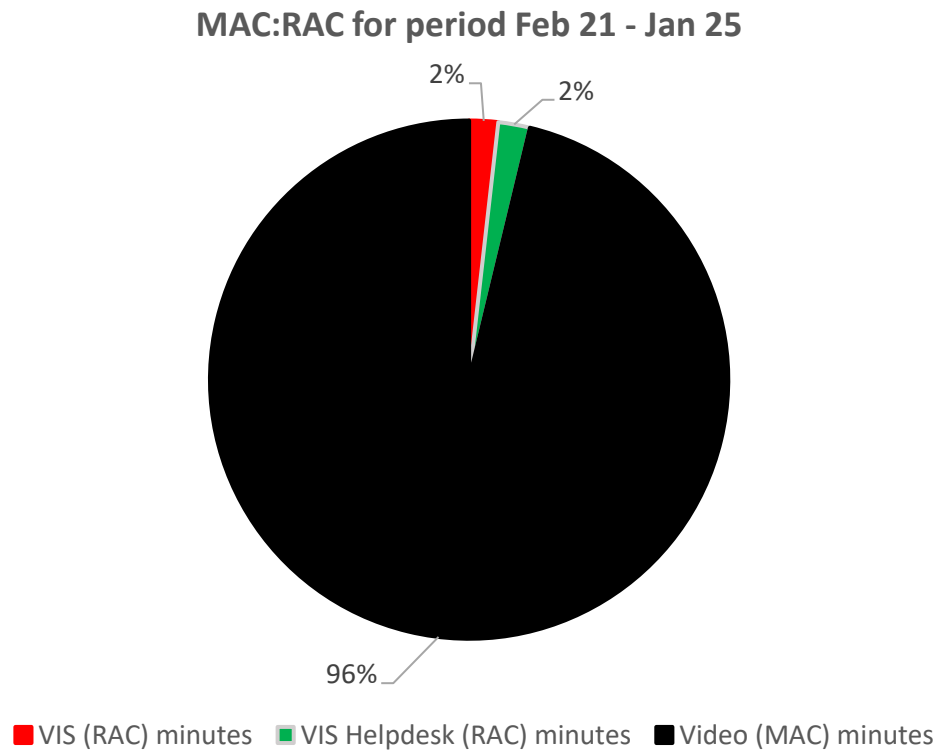
- Web and mobile text minutes combined increased after Concentrix started service, replacing the Sprint TexMee mobile app and Internet Relay. The decline in mobile text minutes was offset by growth in Web text minutes resulting in an overall increase of 3.54% in 2021-22. However, web and app text minutes fell significantly in 2023/24 and further in 2024/25
- Captioned calling decreased markedly immediately after Concentrix started service to the detriment of hard of hearing people. The decrease continued through the second and third years of service. Total annual captioned calling for the 4th year was equal to the monthly use by 1 high usage user in Sweden. In July 22 and Aug 24 there were zero incoming calls to hard of hearing people and many months with only 1-4 calls
- Video calling increased with the addition of MS Teams and Zoom as proprietary access methods but is dominated by Deaf users making outbound calls with only 2% of all calls received
- There is concern that some government agencies such as WINZ, Workbridge, MSD, IRD, DHBs and Homes & Communities are “encouraging” Deaf people use the booked VIS rather than pay for face-to-face interpreters because those agencies do not pay for the former but do pay for the latter

Video Interpreting Service minutes/year



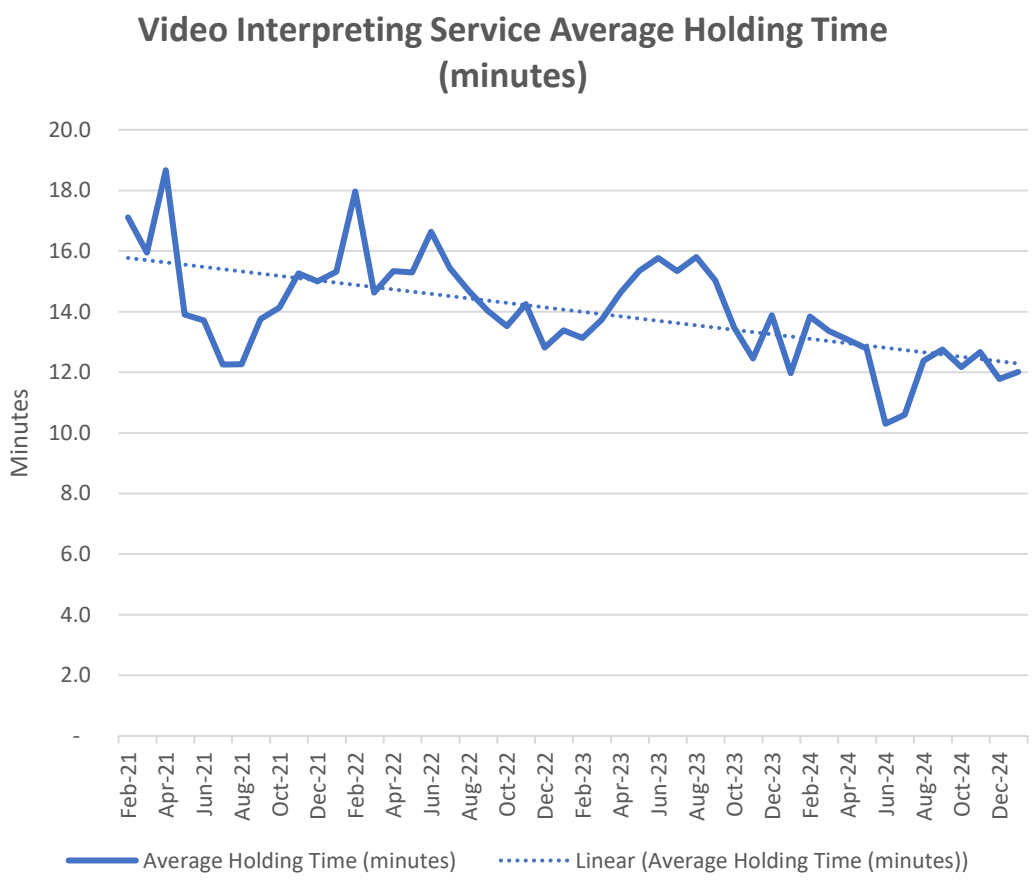
- Minutes are calculated using the Average Holding Time x the number of answered and made calls
- The calculated minutes do not reconcile with the reported total minutes
- For the first 4 years an additional 67,727 minutes are reported by Concentrix
- The only month that the reconciliation was in MBIE's favour was April 2022 for 65 minutes

Ratio of outbound to inbound VIS calls for Deaf people



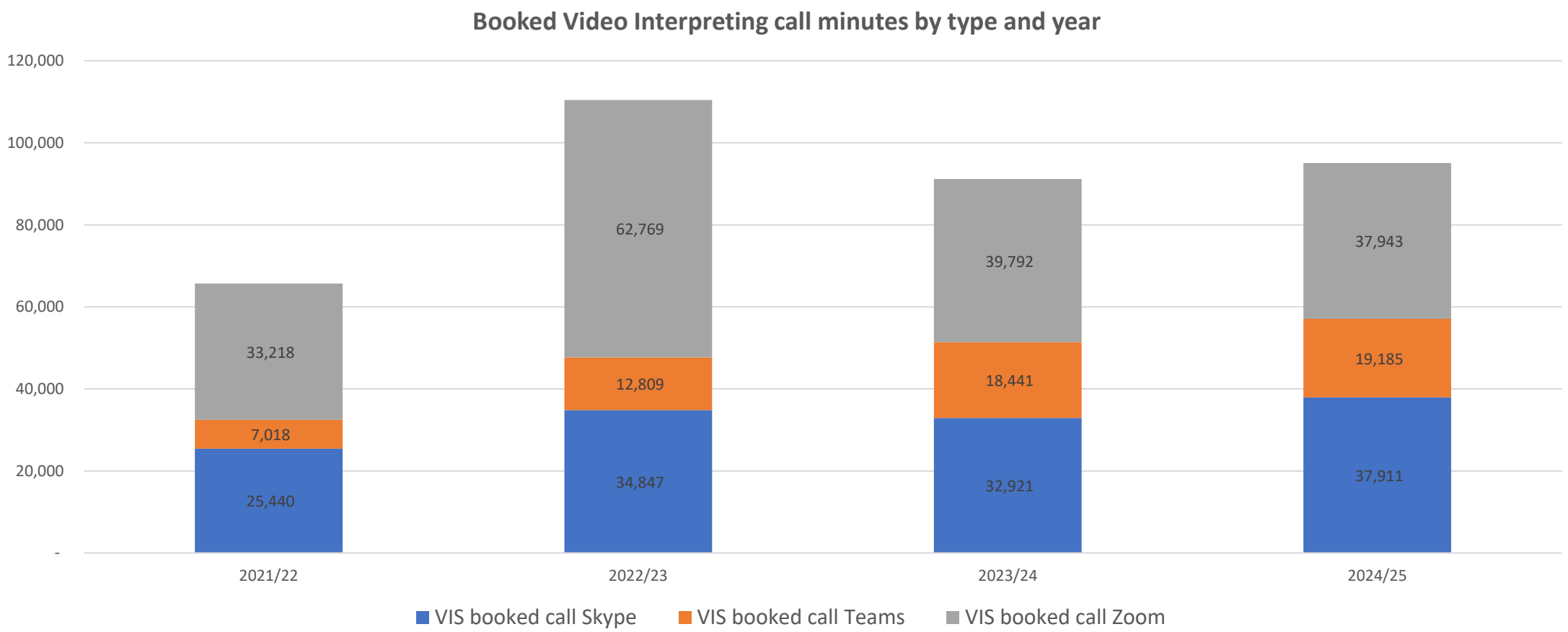
- 96% of VIS calls are made by Deaf users
- 2% of VIS calls are received by Deaf users
- 2% of VIS calls are received by the helpdesk
- The VIS is essentially half a relay service with 96% of calls outbound from Deaf people. It is the same in Sweden where Call Direct is not available to users of the Government provided system.
- In Norway where bi-directional direct dialling is available in the Government supplied system the outbound to inbound video call ratio is **60:40**
- With the previous CapTel system in New Zealand the ratio was **52:48**

Average Holding Time for Video Interpreting Service



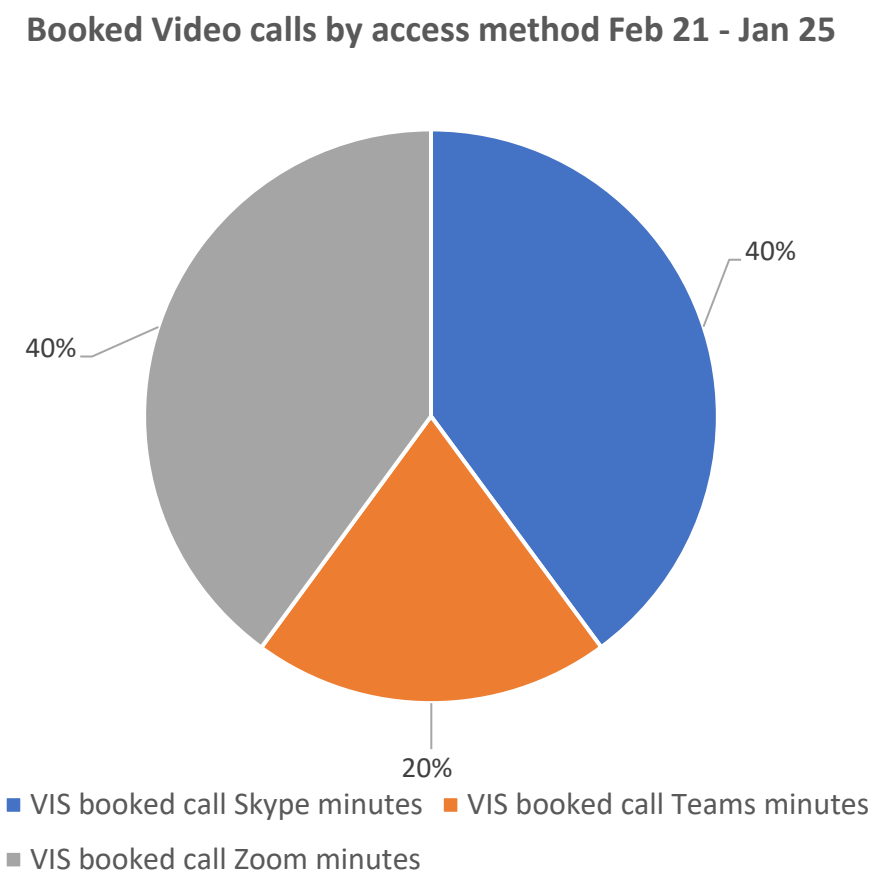
- The Average Holding Time has decreased according to a linear trendline from 16 minutes initially to 12 minutes by the end of the 4th year of service

Booked Video Interpreting Service calls for Deaf people



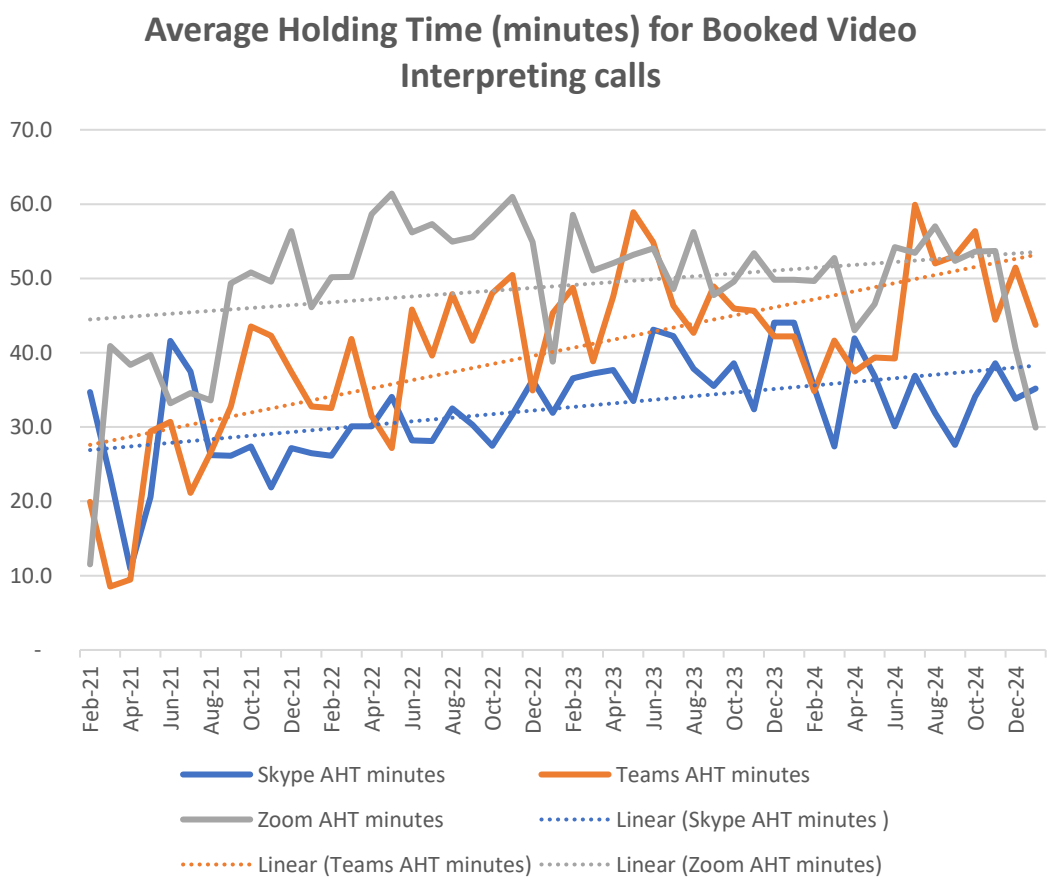
Rev E

Booked Video calls by access method



- Skype and Zoom account for 40% of call minutes each.
- Skype was retired by Microsoft 5 May 2025
- Skype users are expected to transfer to Microsoft Teams
- Examination of call data for May 2025 indicates that Skype users migrated to Teams

Average Holding Time Trends for Booked Video Interpreting Calls

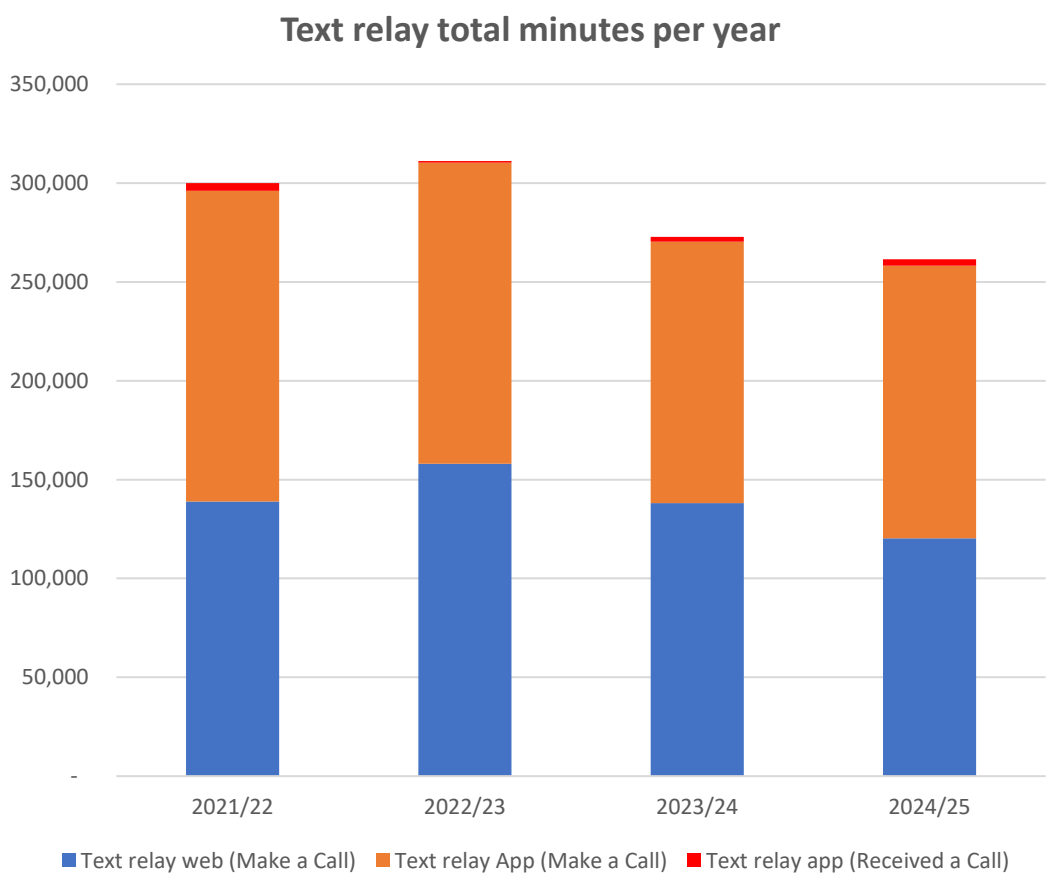


- The Average Holding time for Zoom calls is decreasing
- The Average Holding time for Teams is increasing
- The Average Holding time for Skype gradually increased at a lower rate than for Teams
- N.B. Only a combined average call holding time is given for the three access methods from which this chart is calculated

Comments on Booked Video Interpreting Calls

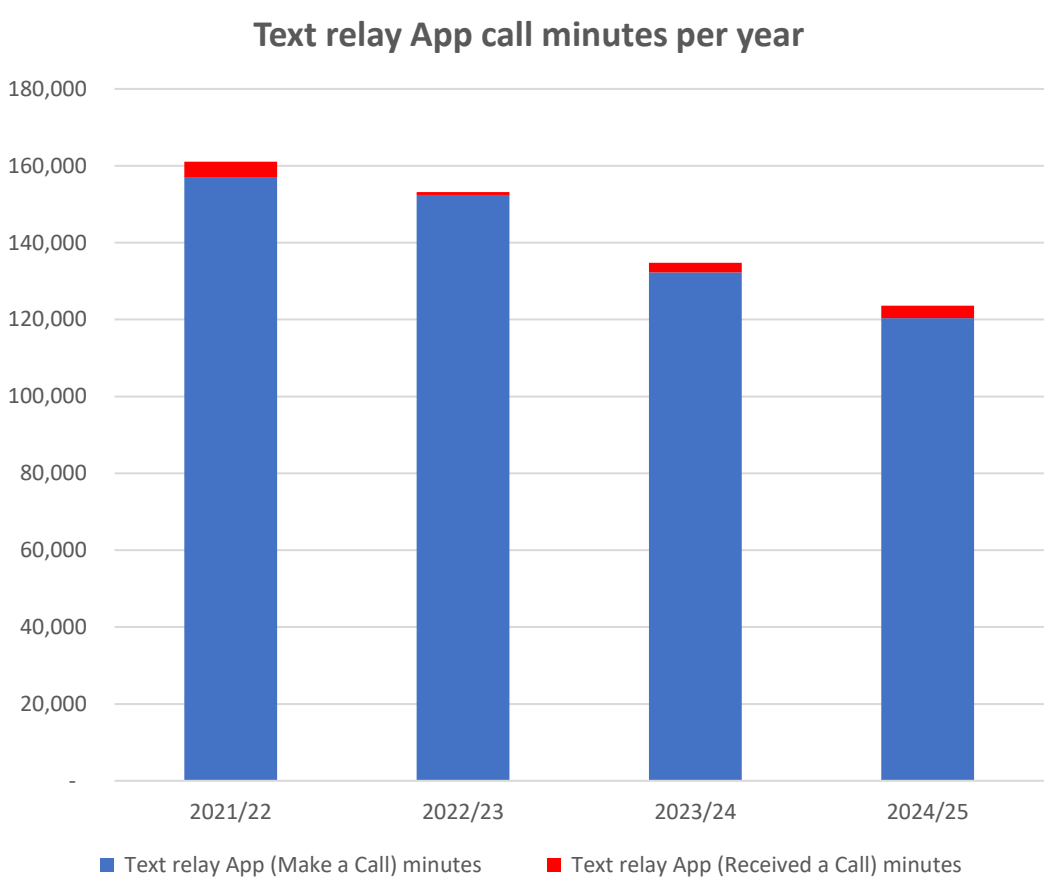
- Government agencies tended to block proprietary Skype calls on their networks
- MBIE officials chose to continue with proprietary Skype and add access from the proprietary MS Teams and Zoom platforms for booked calls despite specifying an open standards solution
- There has been overall growth in the duration of booked VIS calls
- There is evidence that some government agencies are insisting that Deaf people communicate with them using the relay service rather than using face to face interpreting because the agency does not then have to pay an NZSL/English interpreter. This, combined with anecdotal evidence that Concentrix is offering sign-on bonuses to interpreters is seriously depleting the pool of Community Interpreters available to iSign and other interpreter agencies
- Long video conversation times of up to 1 hour without the use of interpreter teaming risks interpreter burnout and interpreters leaving the industry as happened in the USA several years ago. New Zealand cannot afford this given its low number of NZSL/English interpreters. There are a handful of NZSL/English/Te Reo interpreters.
- Deaf Aotearoa offered access from open standards applications using the TERA app or the total communications (audio, video, real-time text) app. The relevant ITU-T F.703 standard was ratified in 2000 and updated in 2018. Direct dialing has been available since 2014. The Government Rules of Sourcing 4th Edition Rule 27 mandated that technical specifications must be based on international standards where they exist. MBIE specified them but did not buy them presumably due to the project being grossly underfunded

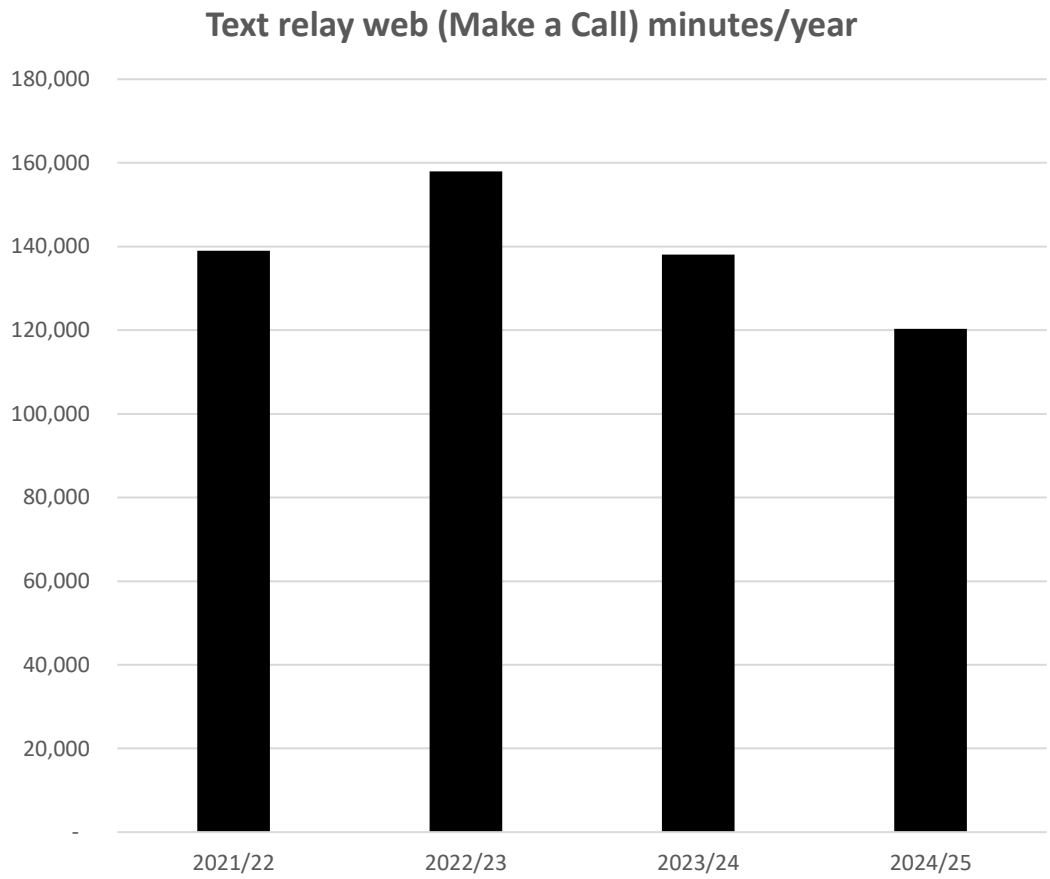
Concentrix Text Relay Web and Mobile App Minutes/Year



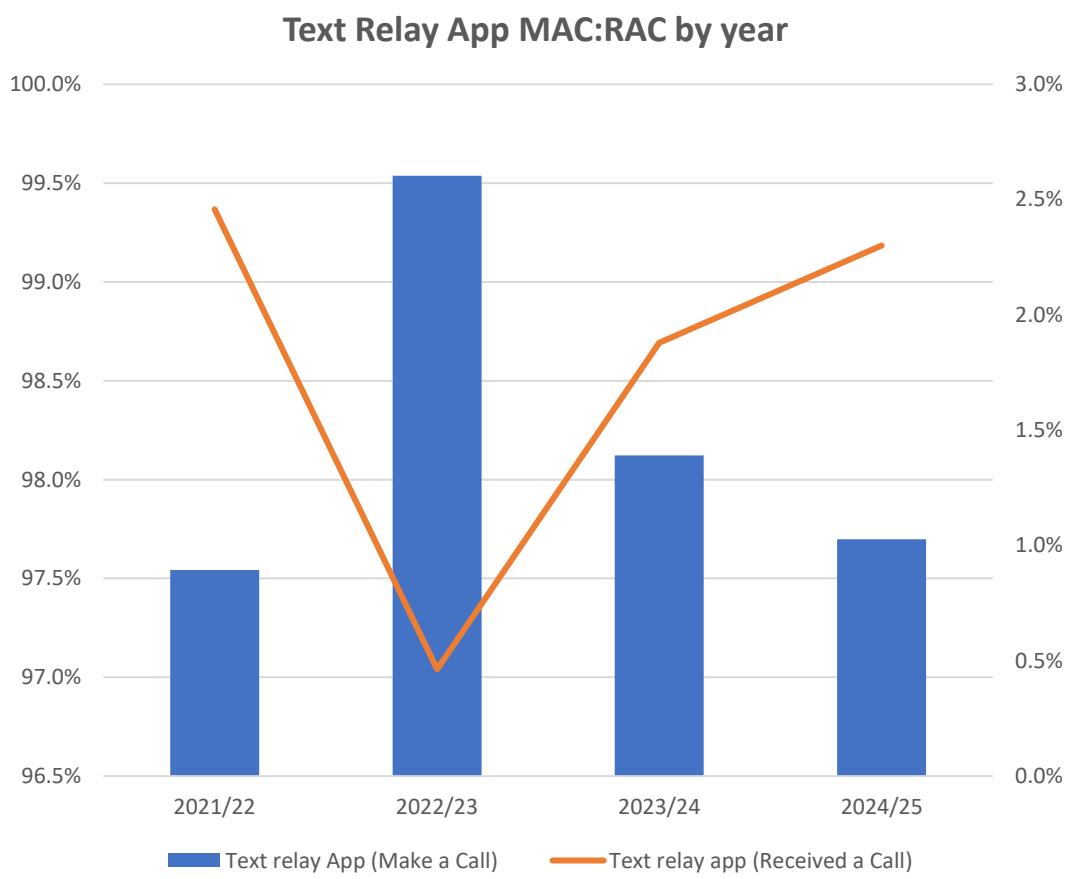
- Only outbound calls can be made using the Web
- Outbound calls using the Web and the App account for 99.1% of call minutes
- The App theoretically allows outbound and inbound calls but in practice it is unusable for inbound calls
- Only 0.9% of call minutes are for inbound calls
- Usage is decreasing over time as in other countries because users prefer to use their voice, AI captioning and sign language
- Reconciliation of Answered Calls x AHT is acceptable with 1,068 minutes in the supplier's favour over 4 years attributable to rounding of the AHT to the nearest second

Text App and Web Make a Call (MAC) minutes per year



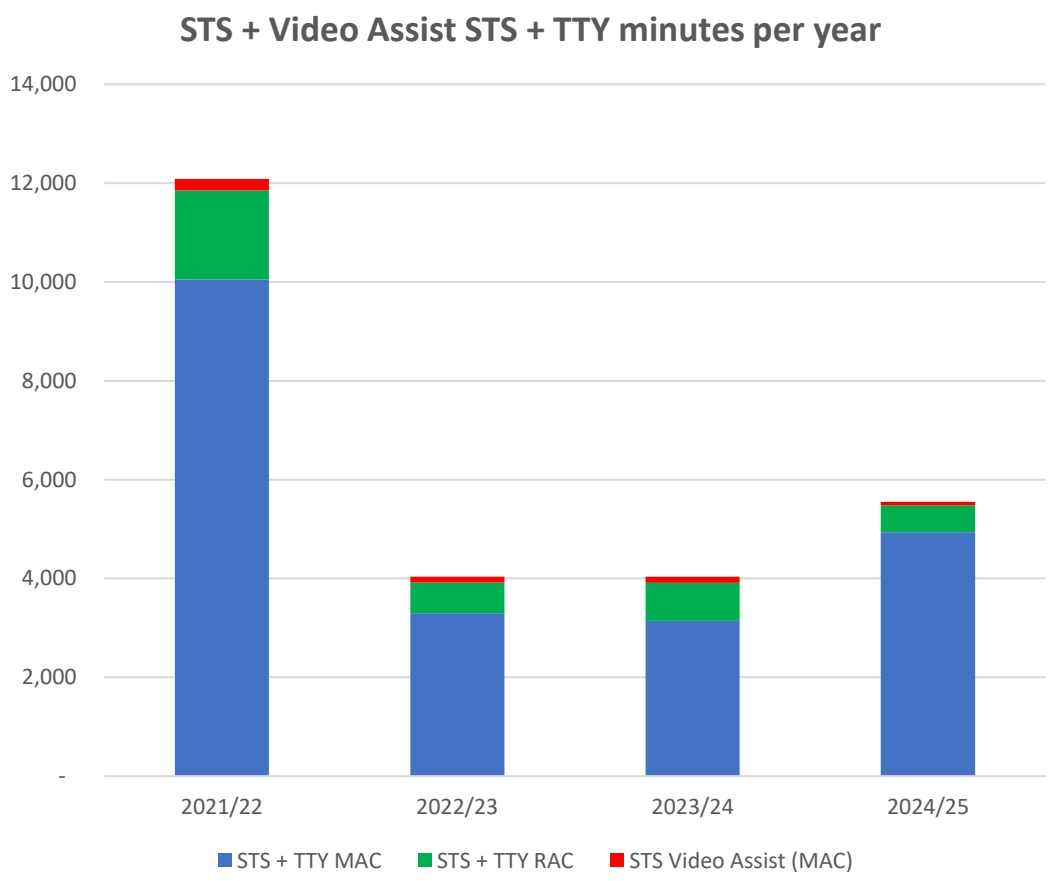


Text App Make a Call : Receive a Call Ratio Feb 21 – Jan 24



- The Web text service supports making a call only. As for the Sprint Internet Relay service it replaced, it cannot receive calls
- The Text App can be used to make and receive calls. However, compared to normal telephone usage where the ratio of made to received calls is ~50:50, the App ratio has varied between 97.5:2.5 and 99.5:0.5
- It is not a telephone equivalent service because it is very difficult to receive calls through it

TTY and Speech to Speech Annual Minutes and MAC:RAC Ratio



- A decline in TTY minutes was expected. TTY is an obsolete technology previously used by Deaf people. TTY production ceased in 2010
- Significant growth in STS and Video-Assisted STS was anticipated with new integrated Text to Speech technology offered to MBIE but Concentrix has continued the obsolete American style service. These call types account for only 0.86% of all call minutes over 4 years
- The MAC:RAC ratio progressively changed from 85:15 in 2021-22 to 80:20 in 2023-24 and reducing to 90:10 in 2024/25
- The STS and Video Assisted STS services demonstrably do not meet the needs of speech impaired people

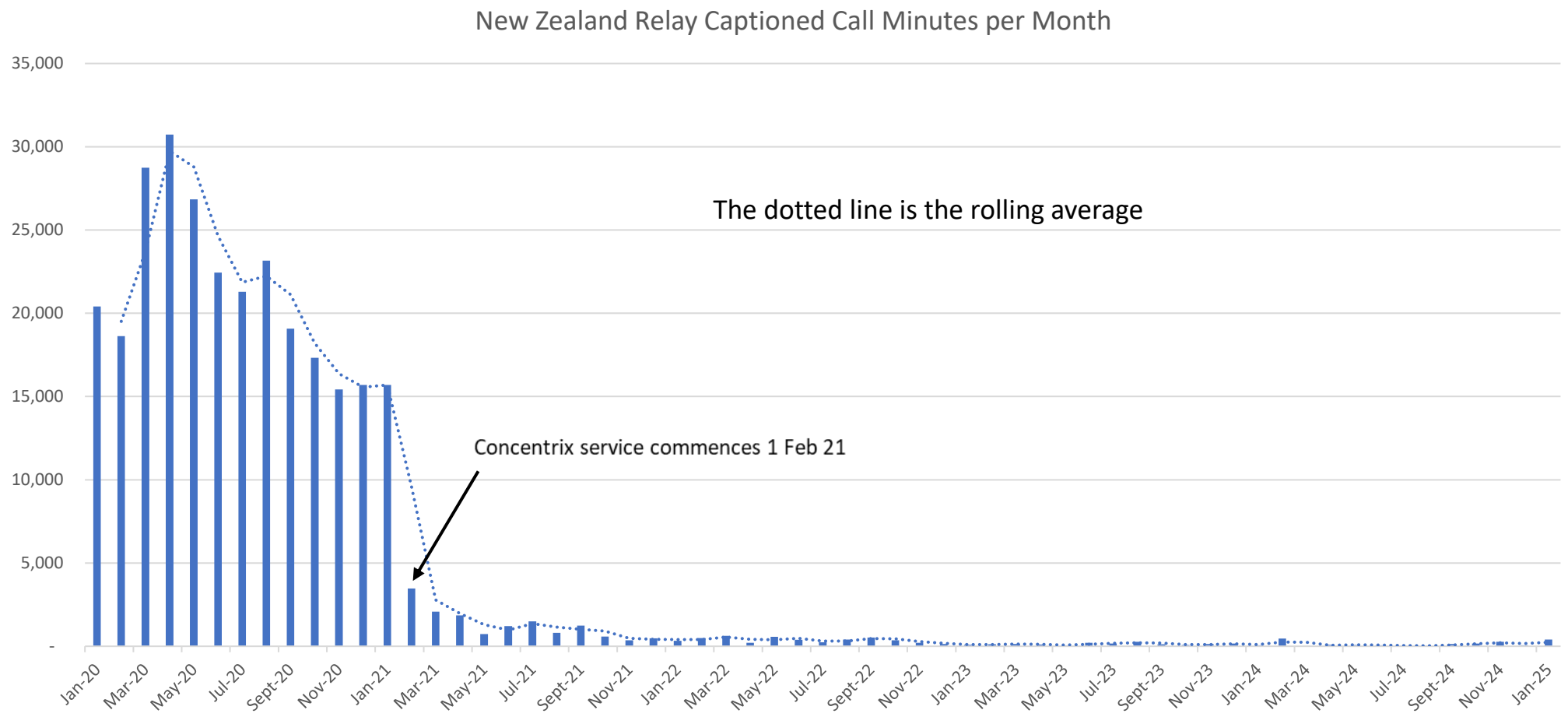
Comments on TTY and Speech to Speech call minutes

- Video-Assisted STS call counts had a peak of 10 answered outbound calls in Feb 21 and Aug 22 and a low of 0 in Dec 24. The average number of calls/month is 4.5. Video is not integrated in the Concentrix app. It is integrated in standardised systems based on ITU-T F.703 offered by two other proponents
- In Sweden speech impaired AI service users of text to speech each used their app an average of 720 minutes per month 3 years after service launch. This is a vast increase on STS usage in NZ
- In Sweden 10% of AI service users use both the speech to text and text to speech functions because they are hard of hearing and have a speech impairment, sometimes as a consequence of having a stroke or having cerebral palsy. This functionality is not available from Concentrix
- The ability of a user to use their own voice and text to speech for difficult words, phrases or sentences is proven by the Swedish experience to be vastly more helpful than superseded Speech to Speech
- Artificial Intelligence based services do not need a call centre, are available 24/7/365 and the user can make emergency calls directly to 111 the same as any fixed line or mobile hearing-oral user. MBIE officials seem to regard AI as not a relay service because there is no human intermediary. However, in other first-world countries including Norway, Sweden and USA it is a funded relay service.
- Norway's Labour & Welfare Administration is making AI speech to text and text to speech available from Autumn 2025 separately from its long term contract for the Video Interpreting Service platform and end-user clients

How many people could benefit from a fit for purpose text to speech system in New Zealand?

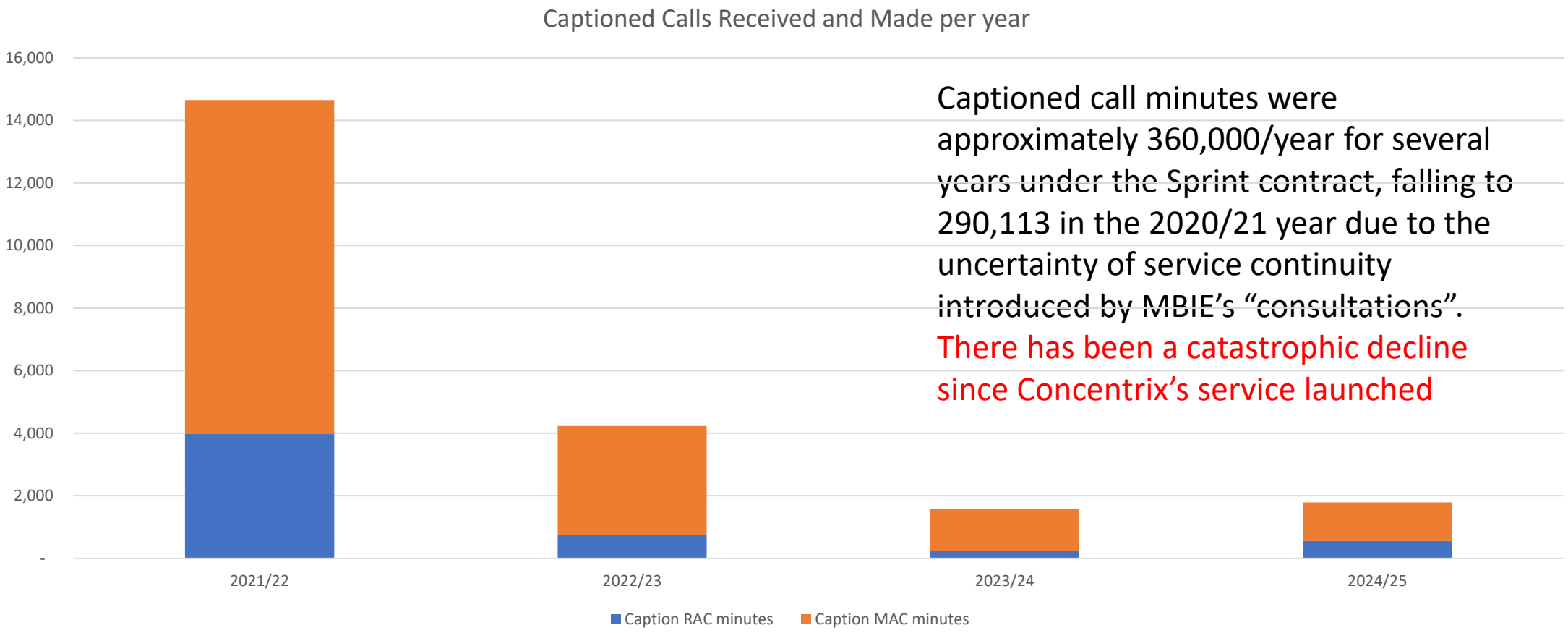
- It has been estimated that up to 20,000 people would benefit from such a system where Text to Speech supplements a user's voice when they cannot articulate a word, phrase or sentence
- Stroke Foundation NZ reports that there are approximately 9,000 new strokes per year in NZ, 2,500 of which are fatal. Of the remaining 6,500 about half will have significant ongoing disabilities. The Stroke Foundation provides information and services to 4,000 new stroke survivors each year. Of note, 75% of strokes happen to the over 65 years age group
- The Cerebral Palsy Society reports that of its 1,500 members 25% have hearing impairment and 25% have speech impediments

Decline in captioned calls in final year of Sprint contract turns catastrophic for hard of hearing people under Concentrix contract



Rev E

Concentrix captioned call annual minutes for hard of hearing people 2021 - 2025



Captioned call minutes were approximately 360,000/year for several ~~years under the Sprint contract, falling to~~ 290,113 in the 2020/21 year due to the uncertainty of service continuity ~~introduced by MBIE's "consultations".~~

There has been a catastrophic decline since Concentrix's service launched

Captioned call issues with old and new service providers

Issues with the Sprint CapTel service

Captioned call minutes declined overall due to:

a. The delay between the user receiving audio and captions being minimum 2 seconds. Manual corrections lead to greater delay and at 4 seconds the service is unusable

c. Insufficient revoicers available such that up to 10% of calls did not get captions as soon as the other party answered causing frustration for the users

d. Lack of practical information from MBIE over future captioning options in its public consultations leading to loss of confidence that the service would continue

e. Limited hours of service

f. Broadband quality – most CapTel phones were connected by Wi-Fi, not cabled

g. The declining number of active users from 191 in Mar 20 to 120 in Jan 21. (500 CapTel phones were issued but most people stopped using the service because it did not meet their needs, primarily due to the delay issue at (a)

h. CapTel usage in the USA has been decimated by the introduction of AI based Captioned Telephone Service funded from the TRS Fund that by law must be fully funded to meet demand

Issues with the Concentrix service

a. Introduced 1 Feb with no change management outreach evident to the user community

b. Rudimentary app mimicking 1990s era services that does not empower people with multiple disabilities (hearing, vision, mobility)

c. Cumbersome to use with multiple steps required to make a call. Users need to be able to simply dial the required telephone number and for hearing users to simply dial the telephone number of the hard of hearing user.

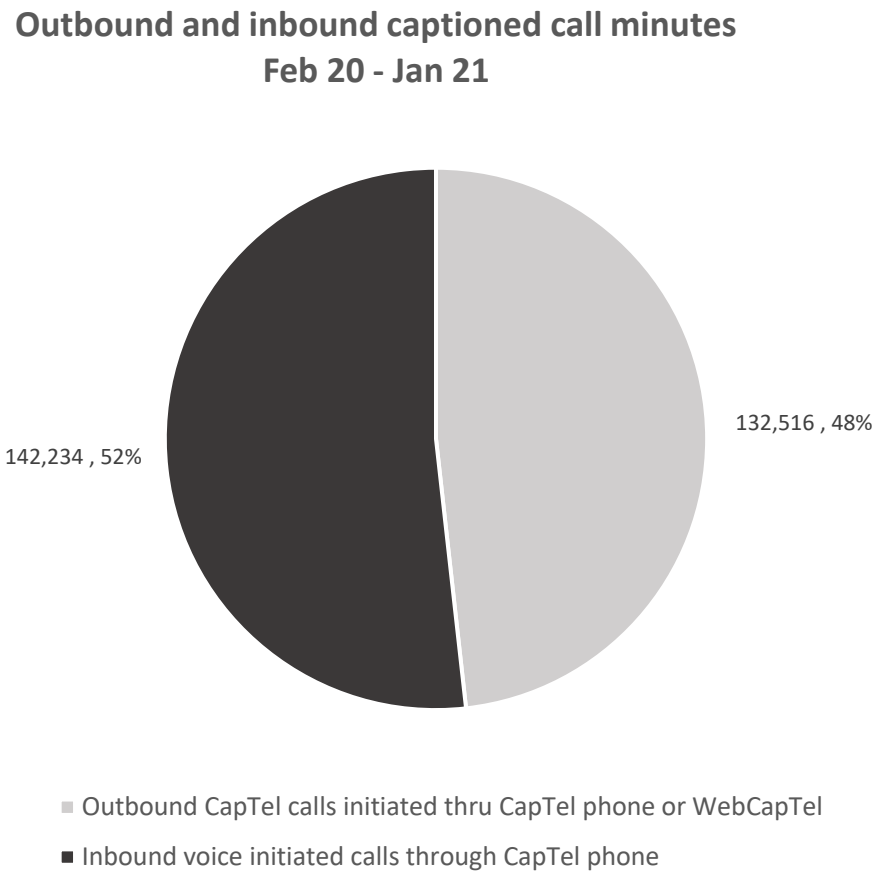
d. Service not available to Apple iOS users (iPhone, iPad) for at least 26 days after service started. Poor or no pre-launch testing

e. Uses the same 'single brain' Nuance voice recognition engine as CapTel, hence the same delay between receiving audio and captions as CapTel

f. Lack of an Equipment Distribution Programme (EDP) for mass market devices for eligible people. Apparently not considered important by MBIE policy makers despite international evidence that EDPs are vital and it being identified as a risk in its procurement plan. The Textphone Pool Business Case was written at MBIE's predecessor, MED, 14 July 2003 and was approved by Cabinet. Most of the business case rationale remains valid in terms of affordability with the shift to digital devices today. Lack of staff continuity at MBIE probably contributed to this being forgotten.

g. Broadband affordability. A solution offered by Deaf Aotearoa for un-metered data associated with its offered apps was summarily dismissed by the MBIE evaluation panel as lacking proof

Made and received captioned calls for hard of hearing people



- The pie chart shows the call volume and percentages of outbound and inbound calls by Sprint's CapTel and WebCapTel combined for the 12 months prior to Concentrix services commencement.
- At 52%:48% there is equivalence of calling enabled by CapTel phone users having a national telephone number and being able to directly dial out and be directly dialled. AI offers the same simplicity and with a lower captioning delay

Concentrix made and received captioned calls ratio

With Concentrix the ratio changed radically

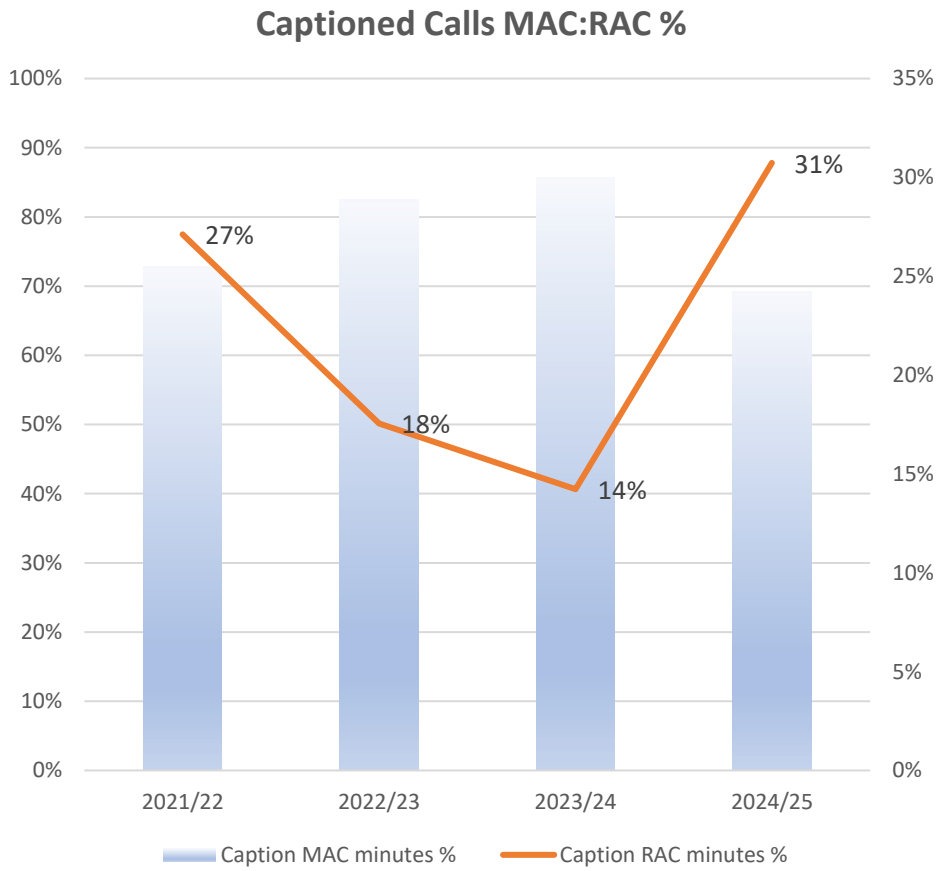
For the period Feb 21 - Jan 22 it was 73% outbound and 27% inbound. For the period Feb 23 – Jan 24 it was 86% outbound and 14% inbound and for the period Feb 24 to Jan 25 it was 69% outbound and 31% inbound. The call minutes since Concentrix service commenced are very low. It is not a telephone equivalent service

Total call minutes dropped from an average of 30,000 minutes per month under the previous contract to 132 minutes in the 3rd year with a slight increase to 149 minutes in the 4th year

There were no inbound calls in July 22 or Aug 24

This proves that the Concentrix service does not meet the needs of users and it is a failure

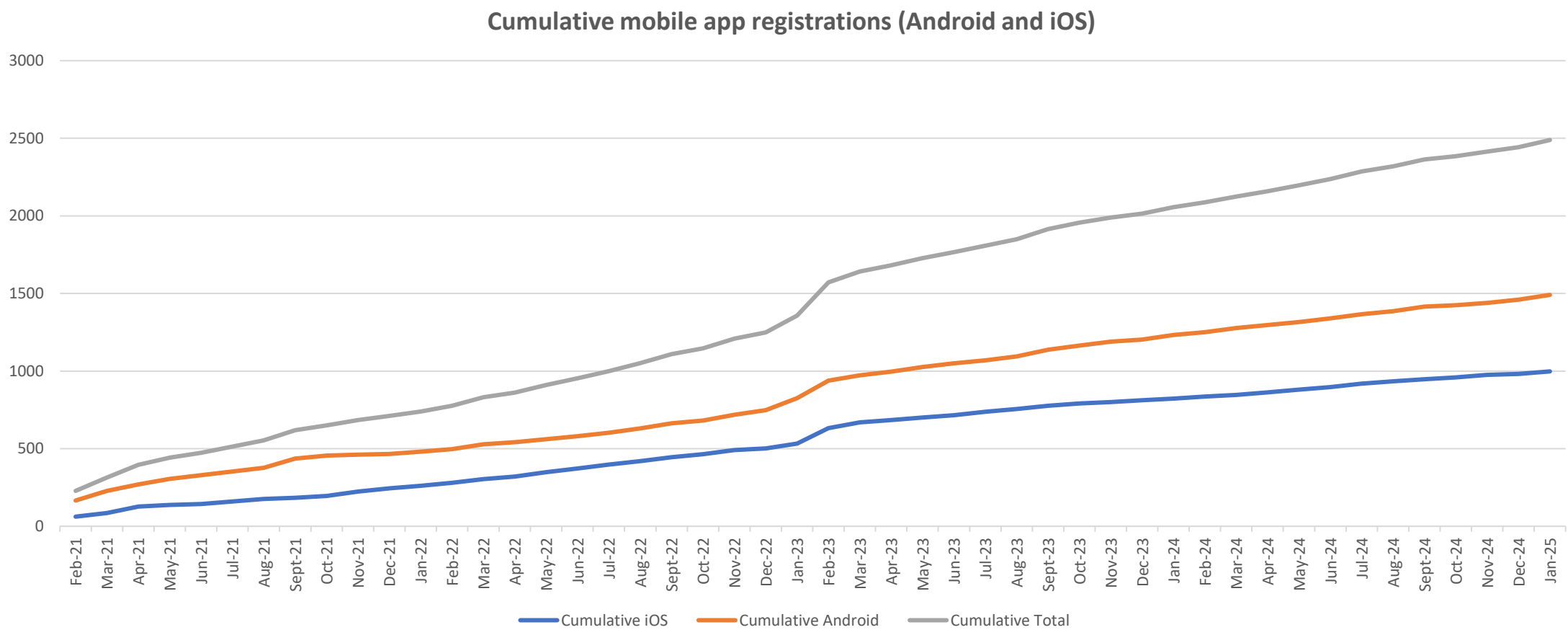
This outcome was foreseeable from publicly available data on the Australian National Relay Service at the time MBIE undertook its “due diligence”.



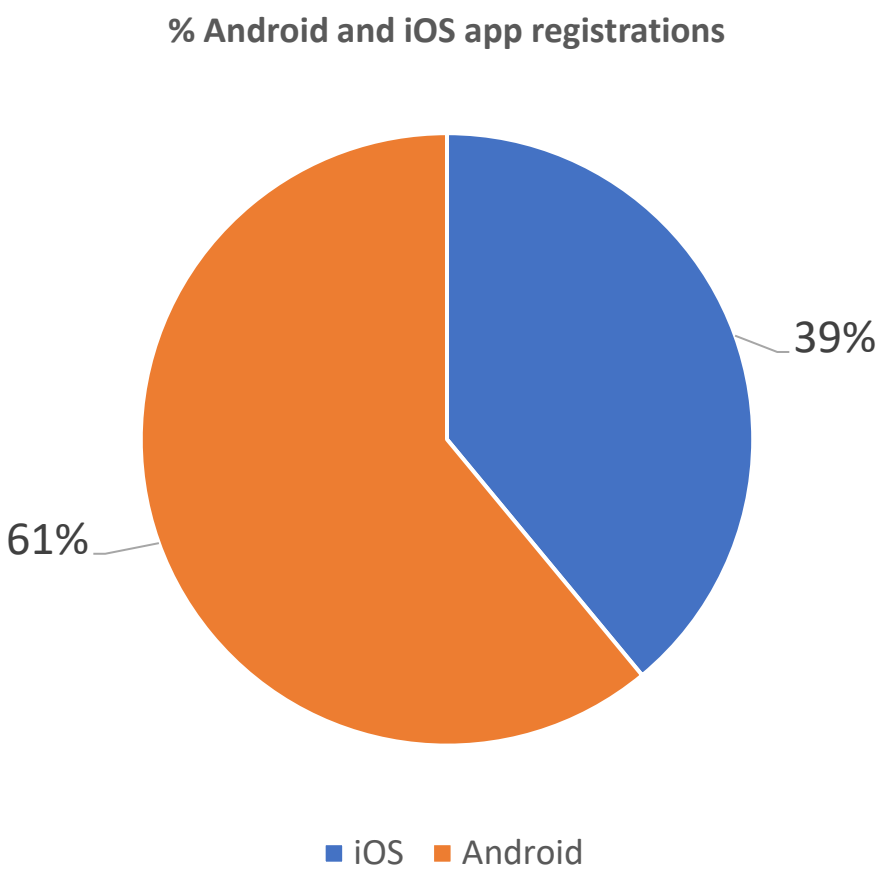
Comments on Captioned Relay (Speech to Text) and Text to Speech based on experience in Sweden

- Since an AI speech to text and text to speech service was launched in Sweden win 2018 and adjusting for population differences, captioned relay (Speech to Text) and TTS (Text to Speech) Tera would be approximately 4.4 million minutes per year in New Zealand 4 years after service launch
- The situation in New Zealand arises from poor consultation design resulting in uninformed policy decisions by MBIE regarding equipment distribution, broadband affordability and the purchase of outdated technology. MBIE did not enquire about budgetary prices during its RFI phase with the consequence that the project was grossly underfunded, bidders were induced to bid when there was no possibility of winning on merit and the lowest priced bid had to be accepted. However, MBIE could claim “a healthy response” to its RFP and a change of supplier to save face
- The ‘single brain’ voice recognition engine used by Concentrix is the same as for CapTel and hence suffers the same delay between audio and captions being delivered to the hard of hearing user. Users require near instantaneous transcription with contextual spelling corrections also known as Automatic Speech Recognition now provided by the established and all new providers of captioned telephone service in the USA. In-home user support nationally is required to help people unfamiliar with tablets and smartphones
- The uptake of captioned relay service is not helped by reliance on a website and Facebook to promote the service because many potential users will not currently have an Internet connection or be Facebook users. There is no mass media promotion of the relay service

Cumulative App registrations



% Android and iOS registrations



- Android, developed by Google, is used by several smartphone manufacturers that tweak the operating system to differentiate themselves from others. This makes it more difficult to support highly advanced and complex real-time applications such as ASR
- iOS, developed by Apple, is a tightly controlled operating system making it strongly preferred for highly advanced and complex applications to give users a smooth experience and to minimise support costs

Commentary on Concentrix captioned call minutes

- Concentrix mobile app new user acquisition from 1 Feb 21 to 31 Jan 25 is: iOS 998 (39%) and Android 1,491 (61%) is not resulting in increasing captioned call or text minutes. User feedback from a Concentrix survey of previous CapTel users in May 2021 is that the app is too complicated to use with only 1 satisfied user out of 48 survey respondents. MBIE has apparently not required a fit for purpose service to be delivered
- Concentrix does not appear to understand the outreach channels required to be used to reach elderly hard of hearing people or the in-home support that they need to use Wi-Fi, tablets and smartphones guided by people that truly understand their situation. Of course, using proper channels to be effective costs money and it seems MBIE did not consider or monetarily quantify this aspect
- The failure by MBIE to provide hard of hearing people with a usable system can be traced to poor public consultation with hard of hearing people, no preparatory meetings with relevant NGOs, high staff turnover with no experience and wilful negligence in not seeking budgetary information for a fit for purpose solution to inform policy decisions
- Concentrix call captioning is demonstrably unfit for purpose

Price comparison of U.S. FCC compensation model and a licence model for caption telephone service

- The US FCC compensates ASR captioned telephone providers at a per minute rate for 2025/26 of USD 1.05. This is a reduction of 49% compared to the previous year reflecting the efficiency of AI
- For a high usage user consuming 1,720 minutes/month (there are such users even in their 80s and 90s) the cost over 3 years is USD 65,016 per user. At the current exchange rate of USD0.60 = NZD1.00 this equates to NZD 110,196
- For comparison, a Swedish TERA 3 year licence costs SEK 60,000 equivalent to NZD 10,000 for the same usage
- There were no such comparative evaluations in MBIE's simplistic financial analysis of bids
- There has been little increase in the New Zealand TRS budget since inception in 2003. $250k contribution to booked video calls from ACC, Education and Health

Who uses TERA?

- At June 2025 the broad breakdown of TERA licensees was:
  - 60% are hard of hearing who only use the speech to text setting
  - 20% are deaf who are good at written language who use both speech to text and text to speech settings. This group like the privacy of their phone calls with no sign language interpreter included in the call. Note that the US FCC compensation rate for small VRS providers is USD 8.33/minute compared to USD 1.05 for ASR speech to text. The USA does not have text to speech service but its compensation rate for Speech to Speech is USD 8.48223. Hence TERA users communicate with privacy at approximately 13% the cost of VIS or STS. This also reduces the demand for scarce sign language interpreters. It also uses a lot less user broadband data than video calling
  - 20% are speech impaired who only use the text to speech setting

The use of TERA Local

- The Tera service was initially developed to provide speech to text and text to speech for telephone calls because that is the most complex application to solve
- However, TERA is used by hard of hearing and speech impaired people in face to face and conference meetings using an inexpensive Bluetooth microphone. It can distinguish and identify individual speakers and label their text in a verbatim transcript, or from Oct 2025 produce a simple English or professional English summary using AI
- In May 2025 the average usage for telephone and local use was 13.5 hours/month/user with the top 5% using 120 hours/month. The highest user is 220.5 hours/month.
- Tera Local use is not relay. Hence, Crown funding through MSD/Disability Support Services is recommended in addition to the Telecommunications Development Levy for relay calls
- Considering the impact on lessening the prevalence of dementia, funding could logically also come from Vote Health
- A whole of government approach is needed to realise the efficiencies and benefits of AI relay
- There is no known alternative product or service that comes near the functionality, service availability and stability of Swedish T-Meeting's TERA

Myths and Truths about the low usage of captioned calls in NZ

Myths

- That users are using alternative methods to communicate
- Users may also have simply become dis-empowered and isolated
- Google captioning, Teams captioning, Skype captioning have become available. These are only accessible to people with an internet connection. A large group within the older demographic does not have this access due to cost.
- People are using Google Pixel phones that provide captioning. These are not sold or supported in NZ. They account for only 2% of smartphone sales in the USA
- Shifting the setting of the Telecommunications Development Levy (TDL) amount from the Telecommunications Act to regulations to provide greater flexibility of the levy to adjust to market developments e.g. to enable the TDL to be reduced if artificial intelligence renders the deaf and hearing impaired relay service technologically obsolete

Truths

- Some of the highest hard of hearing users of Tera ASR captioning in Sweden are in their 80s and 90s
- Captioned Telephone Service has had huge growth in the USA where there are now at least 8 certified providers, all of whom provide Automatic Speech Recognition (ASR) captioning reimbursed from the Federal Communication Commission's TRS Fund. For 2023/24 the TRS Fund was USD 1,283,242,528. For 2024/25 is was USD1,490,582,564 an increase of 16%. The Fund amount for 2025/26 is USD 1,479,568 attributable to the 50% reduction in the per minute compensation rate for ASR call captioning, not a decrease in usage. An increase in TDL funding is required in New Zealand.
- U.S. legislation mandates that the TRS Fund be fully funded to meet demand for the service by a levy on telcos. In addition, there is state funding for intrastate calls and Equipment Distribution Programmes
- Automatic Speech Recognition in New Zealand requires a New Zealand dictionary and accent recognition making the small market unattractive to competent U.S. based providers

Concentrix is not delivering an improved service for all Deaf and communications disabled groups

- NZ Relay commenced service in November 2004. Video relay commenced with a trial in 2009. Captioned phone service started in 2013. Huge technological and service improvements have become available since 2014
- The Concentrix app is rudimentary and does not combine audio, video and real time text as required by the RFP specification and it does not provide, as required by the RFP specification, direct dialling to and from Deaf people with the automatic connection of an NZSL/English interpreter
- There is no improved service for speech impaired people, just continuation of an obsolete 1990's service
- Captioning service for hard of hearing people has taken a leap backwards due to no reduction in the delay between audio and text, it is cumbersome to use, and there is no national training support network. No improvement is foreseen given the old 'single brain' technology at the heart of the Concentrix service and the virtual cessation by MBIE of an Equipment Distribution Programme originally approved by Cabinet
- There are no improvements for DeafBlind people and the lack of an Equipment Distribution Programme denies these people even the most basic text-based service. There are 650 DeafBlind people registered with Blind and Low Vision NZ.
- **Services to support calling to emergency services directly to 111 or via the relay centre (including call recording) do not exist with the Concentrix service. This is discriminatory and the subject of a complaint to the Human Rights Commission**
- **MBIE has ignored the digital divide and that most people with communications disabilities are on the wrong side of it. Access to affordable broadband is a significant barrier as is access to devices which is why an Equipment Distribution Programme for tablets, smartphones, alerting devices and other Bluetooth accessories is essential**
- Ministry of Education, by contrast and to its credit, during Covid lockdowns distributed > 40,000 digital devices and arranged some 30,000 internet connections to support students

Timeline

- The Sprint and CSD contracts were aligned to expire 30 June 2019
- After learning of the Deaf Aotearoa consortium's intent to supply a service for the community by the community in a letter written to to her by the consortium leader, Lachlan Keating, MBIE's [redacted] immediately paused the procurement on 10 August 2018 by one year for questionable reasons. [redacted]
- Existing contracts were extended to expire 30 June 2020
- Notably, there was no provision in the CSD contract for an extension, only in that with Sprint
- The new service was required to commence 1 July 2020 but eventually commenced 1 Feb 2021 following further extensions of the Sprint and CSD contracts as MBIE scrambled to make internal vote transfers to pay for the cheapest proposal

Deaf Aotearoa consortium members

- The consortium was formed to include depth of knowledge of the different needs of communication disabled New Zealanders that could be satisfied with the world's most advanced provider of technology for communications disabled people and included:
  - Autism New Zealand
  - Blind and Low Vision
  - CCS Disability Action
  - Cerebral Palsy Society
  - Deaf Aotearoa
  - Hearing New Zealand
  - Life Unlimited
  - Stroke Foundation New Zealand
  - T-Meeting Global
  - Vodafone (now One New Zealand)
- The formation of this consortium left MBIE with no avenues to seek independent expert disabled community advice within the Government Rules of Sourcing 4th Edition. MBIE disregarded numerous Rules during its procurement process

Wasted taxpayer money

- The contract extensions with Sprint and CSD for a further year expiring 30 June 2021 were only used for the period 1 July 2020 - 31 January 2021. The contracts required MBIE to pay for any months of service not used
- MBIE paid Sprint and CSD a combined total of $939,000 for 5 months of unused service

Big Questions

1. Why, when it issued a Request for Information in 2017 did MBIE not seek budgetary information leading to its only option at the RFP stage being to make internal vote transfers to cover the lowest cost proposal while wasting the resources of genuine providers holding the greatest body of knowledge about the needs of their communities and the support needed to deliver them and who asked for the budget at the supplier briefing but MBIE's Procurement Lead failed in her duty of disclosure to provide it thus sending genuine bidders on a false errand? In 2025 MBIE wrote that proponents should have checked the Budget Estimates. These are in the public domain
2. Why did MBIE not engage specialist resources, e.g. a social scientist and an economist to determine the costs and benefits of an advanced relay service compared to a continuation of the superseded services provided under the Sprint and CSD contracts?
3. Why, after having specified a modern relay service in accordance with international standards as required by the Government Rules of Sourcing 4th Edition, 24/7 operation, two-way calling and integration into the global telephone network to bring equality of telephone service to communications disabled people did MBIE choose a proprietary 1990s era solution whose only modern element is that its users need mass market hardware? This constitutes false pretenses and may make it impossible for New Zealand to attract bids for a modern fit for purpose relay service in future unless considerable remedial relationship work is done by senior MBIE management in the lead up to an RFP. As at June 2025 MBIE had done no planning work for an RFP for a new TRS and will run out of time to do the job properly in November 2025
4. Why are users discouraged from placing emergency 111 calls via NZ Relay? The Deaf Aotearoa proposal included direct calling to 111 for AI users and call recording of voice, video and real-time text for emergency calls placed via the relay centre. Why are NZ Relay users discriminated against when they most need to use the telephone yet are expected to use obsolete TTY and fax methods? A complaint has been made to the Human Rights Commission
5. Why did MBIE choose a provider with no prior experience of working with and supporting Deaf and communications disabled people when it had an offer from a consortium with a national footprint that works with all relevant disabled groups nationally on a daily basis?
6. Why is Concentrix apparently only using a website and Facebook for outreach, precluding the majority of potential relay users who are not technology literate and do not have broadband from even being aware that a relay service exists?

Supply positioning and MBIE's value as a customer

- The TRS is a strategic critical procurement to MBIE
- While previously seen as a CORE customer by suppliers, following the outcome of RFP 680 it is assessed as a NUISANCE customer
- Leading companies have become successful by avoiding NUISANCE customers such as Australia, Canada and New Zealand
- The situation can only be remediated by the involvement of senior MBIE officials in relationship building with the management level of potential suppliers by demonstrating *fairness, impartiality, responsibility, and trustworthiness*

A quote from John Ruskin

It's unwise to pay too much, but it's worse to pay too little. When you pay too much, you lose a little money - that's all. When you pay too little, you sometimes lose everything, because the thing you bought was incapable of doing the thing it was bought to do. The common law of business balance prohibits paying a little and getting a lot - it can't be done. If you deal with the lowest bidder, it is well to add something for the risk you run, and if you do that you will have enough to pay for something better.

The Effects of Loneliness

- The ability to communicate is fundamental to being a productive, integrated member of society, progression in one's work and social relationships overall
- It's long been understood that humans are social creatures and that loneliness can have detrimental health consequences.
- Now the US Surgeon General says Americans are so lonely that those consequences constitute a near national health emergency.
- In a report released Tuesday 2 May 2023, US Surgeon General Vivek Murthy says that half of Americans now feel lonely and that this "epidemic" is costing the United States billions of dollars annually. Murthy said this lack of connection for so many Americans can have the same negative health impact as smoking a dozen cigarettes a day.
- For more see: https://www.theguardian.com/society/2023/may/02/us-surgeon-general-warning-loneliness

One in Three Dementia Cases May Be Linked to a Single Cause, Say Researchers

- Researchers from Johns Hopkins, the Bloomberg School of Public Health and Columbia University in the United States tracked 2,496 adults between the ages of 66 and 90 for 8 years and found that 32% of dementia patient cases could be tied to hearing loss, making it one of the most important modifiable risk factors. The researchers only saw the trend in people who had been diagnosed with hearing loss, and not in people who thought they had a hearing loss. None of the subjects had dementia at the beginning of the study
- The findings were published in the scientific journal *JAMA Otolaryngology – Head and Neck Surgery,* and align with emerging evidence showing how sensory health impacts cognitive function
- Hearing aids may help but a modern AI based speech to text conversion service that supports people with hearing loss to make and receive telephone calls and have captioning in one-on-one and conference/meeting conversations can prevent social isolation associated with hearing loss, a known contributor to cognitive decline. It also empowers people to continue and advance in employment
- The current number of people living with dementia in New Zealand was estimated to be 62,287 in 2020. This is projected to rise to 167,400 by 2050 comprising 2.7% of the total population and 10.8% of those aged 65+. The proportion of people living with dementia accounted for by Māori, Pacific and Asian people is expected to triple by 2050, compared to a 76% increase in Europeans. The total economic cost in 2020 was $2.46bn
- Identifying preventable factors like hearing loss is now more important than ever given that dementia care at e.g. St Johns Wood in Taupo costs $7,500/week per person or $390,000/year
- **More funding (millions) for the Telecommunications Relay Service currently administered by MBIE could potentially lower dementia care costs significantly (billions) in future. Funding could come from the Telecommunications Development Levy and the Crown**

Roadmap to recovery

- Establish a realistic annual budget for speech to text and text to speech services for hard of hearing and speech impaired people, public awareness programme, national in-home support, equipment distribution programme using existing All of Government contracts, and means or age tested broadband subsidies
- Based on the U.S. FCC TRS fund and adjusting for population a budget of NZD 37m/annum is required for all relay services in a mature market. (Norway with a population of 5.55 million that is close to that of New Zealand) has a budget of >$20m/annum for video interpreting alone. Norway also has >5 x the number of sign language interpreters as NZ. It will make AI speech to text and tezxt to speech services available in the northern autumn.
- Select commercially experienced officials willing to accept expert advice from the relevant NGOs to negotiate a simple Services Agreement for a proven service and Equipment Distribution Programme commencing as soon as practicable and only extend the Concentrix contract until that date

Your interest is appreciated

Thank you!

Any questions can be directed to:

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