

MEDIA RELEASE

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Christchurch to get \$10.6 million, city-wide high-speed broadband investment

Christchurch City Holdings, the Christchurch City Council's investment arm, and the Ministry of Economic Development, have announced a \$10.6 million open-access broadband network to ensure the city has high-speed broadband coverage within two years.

About 80km of fibre optic cabling will be ducted under the city to start with, and will be commercially accessible to public and private end users and telecommunications providers.

Telecommunications ducting will also be made mandatory and standard for all new building work and subdivisions developments in the city.

"For the past year, CCHL has turned its focus on four key infrastructural areas that need investment if the city is to flourish and one of these is broadband. There has only been minimal investment in telecommunications infrastructure in Christchurch in the last five years and it's long overdue," said CCHL chief executive Bob Lineham.

"The network will be owned and managed by a new CCHL subsidiary company, Christchurch City Networks Ltd (CCNL). Discussions are already under way with private telecommunications providers about commercial access to the network and where the network should be routed."

Chris Pickrill, chief executive of the Canterbury Development Corporation, which initiated the project last year, said Christchurch's hard-won reputation as New Zealand's IT capital was seriously at risk because of the existing slow internet access.

"This investment is absolutely essential for the city's ongoing economic development. The new high-speed broadband network will be over 200 times faster than the existing service and there is significant demand for it – not just from universities and high-tech industries, but schools, hospitals and the city's commercial sector," he said.

The CDC, with CCHL's support, applied for these funds earlier this year from the Ministry of Economic Development's Broadband Challenge. As part of the Ministry's Digital Strategy, the Broadband Challenge recognises the need to encourage local authorities to act locally in the provision of an open access broadband infrastructure.

In August this year, the Ministry announced that Christchurch's Broadband Challenge application was successful and would contribute \$3.75 million plus GST towards the total \$10.6 million cost of a citywide broadband fibre optic network. CCHL will contribute the remaining \$6.82 million.

Christchurch Mayor Garry Moore said there would be no impact on rates from investing in this essential infrastructure, as funding had come from CCHL and the Government.

"The Government has recognised the important role of broadband in global connections and so has the city's investment arm, CCHL," Moore said.

"Trading cities like Christchurch have found they need to step up and intervene to provide the sort of telecommunications infrastructure that is fast becoming the global minimum standard for a modern city, if we want to remain competitive," he said.

"Cities prosper when they embrace new technologies. The time has come for us to collaborate with commercial interests to provide the vision and foresight to drive investment in high-speed, accessible, advanced telecommunications infrastructure, linking us nationally and internationally."

First priority in the new network infrastructure would be education, getting broadband to universities and schools to stimulate learning and training and to help the city's learning institutions share knowledge and research projects internationally.

"This is a significant way of investing in future prosperity and supports the City Council's vision for a future-oriented niche economy that will build that prosperity," he said. "It's absolutely essential for this city to have broadband. We can't be the Silicon Plains IT capital of New Zealand with internet connectivity that moves at a snail's pace. It's time for Christchurch to get connected."

As part of its commitment to high-speed connectivity, the Council had decided to make it mandatory for building and subdivision developments to include telecommunications ducting, Moore said.

Robin Harrington, Advanced Technologies Manager at the University of Canterbury, said city-wide broadband would be of immense benefit to the university and its partners, enabling high speed connectivity at an affordable price.

"At the moment, we're paying \$5000 a month for high speed access to each site we need to be connected with," he said. "It's stopping researchers and staff from getting on with projects that they should be doing. For example, the computer sciences department had to cut their involvement in an international research project because of the escalating cost of moving large amounts of data. With broadband, that wouldn't be an issue."

Broadband would also enable the provision of back-up in the event of systems failure.

"For example, we've been talking to CPIT about disaster recovery – about being able to move our services to another site in the event of a systems failure – but we couldn't contemplate that without broadband," he said.

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