



THE DIGITAL STRATEGY:
CREATING OUR DIGITAL FUTURE



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New Zealand will be a world leader in using information and technology to realise its economic, social, environmental, and cultural goals, to the benefit of all its people.



In the digital future, lots of things will change for the better. The results will be seen in how we run our businesses, how we interact with each other, and how we use a whole range of government services.

The Digital Strategy is about how we will create a digital future for all New Zealanders, using the power of information and communications technology (ICT) to enhance all aspects of our lives.

The Digital Strategy is a core element of the Growth and Innovation Framework (GIF). The government is already spending millions on initiatives to create a Knowledge Society. In addition to new spending in departmental budgets and existing programmes, there will be additional funding of nearly \$60 million through GIF specifically to deliver the Digital Strategy, including \$44.7 million of contestable funding available directly to communities and partnerships. In total up to \$400 million will be spent on all digital strategy initiatives over the next five years.

To make sure we co-ordinate all these activities properly, a Digital Strategy Advisory Group will be established, made up of community and business people to advise the Minister for Information Technology and the other Digital Ministers directly. This will give Digital Ministers oversight of the many initiatives and ensure that the various actions proceed in step.

In the digital future, lots of things will change for the better. The results will be seen in how we run our businesses, how we interact with each other, and how we use a whole range of government services.

Thanks to affordable, high-speed access, we will be much better connected – to each other, to the things we need for our everyday lives, and to the world of information that lies beyond.

WHY WE NEED A DIGITAL STRATEGY

The government wants all New Zealanders to be able to enjoy the benefits that ICT can bring. The information we access through digital technologies can promote innovation, increase productivity, and enrich the quality of our lives.

Content creation is not only a global business – now it can be anyone's business. Using digital technologies to create and access our distinctive cultural content enhances our identity as New Zealanders. ICT helps us unlock our stores of national content, making them accessible to everyone, and it is a powerful tool for directing and expressing our creativity.

Lifting productivity is a key government goal. Investing in ICT can have a powerful effect on productivity in almost every industry, driving innovation, cutting costs, and opening up new opportunities. ICT can boost profits, help small firms overcome limitations of size, and enable even tiny enterprises to establish a global presence. But to take full advantage of the opportunities of ICT, we need to develop the skills of our workforce at every level, from front-line staff to senior management. Investing in management and business capability is a priority.

For New Zealand to remain competitive, we must anticipate and embrace technological change. The Digital Strategy provides us with a clear view of the future we want to create, and a plan for how we will get there. It puts in place a structure against which to evaluate our progress and will ensure we meet our longer-term goals.

The **draft Digital Strategy** was released in June 2004 for public feedback and discussion. The feedback we received told us we are heading in the right direction¹. People agreed with us on the importance of the enablers **content**, **connection**, and **confidence**, and on the need to develop all three at the same rate. Rather than debating the merits of our initiatives, people asked *when* and *how* they would happen.

Overwhelmingly, they said: **'Now let's get on with it!'**

This final Strategy takes account of the feedback we received but focuses on implementation, providing detail on what the government and other stakeholders will actually *do*, and by when.



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¹ A summary of the feedback we received on the draft Digital Strategy is at www.digitalstrategy.govt.nz

WHO THE

DIGITAL STRATEGY IS FOR

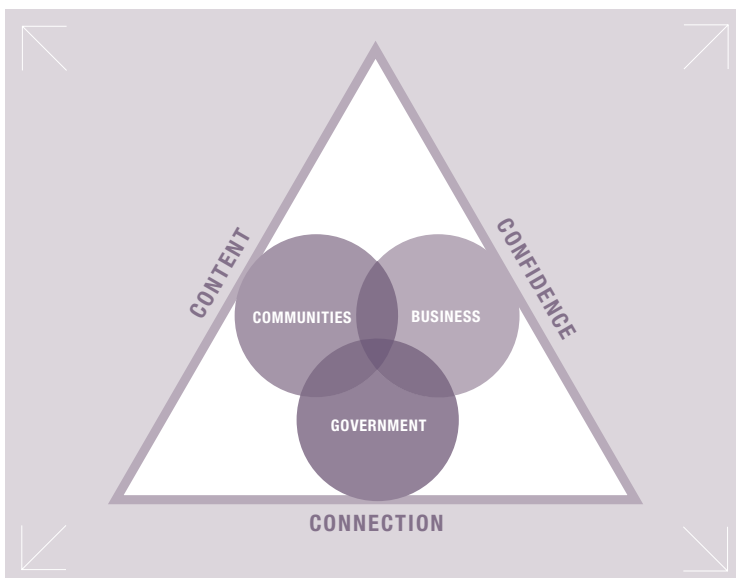
The Digital Strategy vision is about creating a digital future for all New Zealanders. ICT offers new ways of connecting people, strengthening communities of all kinds, enhancing the democratic process, and opening the door to new opportunities. We can use the power of technology to connect people to the things that matter most to them, express our creative talents, celebrate the unique culture of Māori, and strengthen our links to our South Pacific neighbours.

How we deliver the Strategy and how well we succeed will depend on the commitment of businesses and community stakeholders.

The government, business, and community initiatives all impact upon the other. Whilst we set out below some issues that relate specifically to communities and businesses, including not-for-profit organisations, they are clearly interwoven. Since the full benefits of ICT can only be realised when *everyone* is able to participate, we have emphasised the importance of partnership and collaboration.

This is therefore a document for all New Zealanders. By working together, we can make it happen.

CREATING A DIGITAL FUTURE FOR ALL NEW ZEALANDERS



The Digital Strategy is about how we will create a digital future for all New Zealanders, using the power of ICT to enhance all aspects of our lives.

WHAT WE ARE GOING TO DO

The government is taking action to make the Digital Strategy a reality. Some of these actions are listed below, while many more can be found in the full Digital Strategy document, or at www.digitalstrategy.govt.nz

CONTENT

GOAL

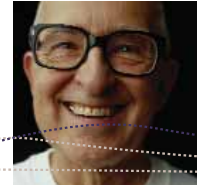
To unlock New Zealand's stock of content and provide all New Zealanders with seamless, easy access to the information that is important to their lives, businesses, and cultural identity.

TARGETS

- By December 2006, to develop and launch a National Content Strategy
- To develop the online Cultural Portal
- To implement the National Digital Heritage Archive, *Te Ara - the Encyclopedia of New Zealand*, and the Māori Language Information Programme in a co-ordinated way
- To digitise existing content and develop new content through the Community Partnership Fund.

KEY ACTIONS

ACTION	LEAD	TIME	\$
National Content Strategy Mapping New Zealand's information assets and developing a framework and policies for national access	National Library of New Zealand	2005-06 Ongoing	\$0.6 M development costs
The Cultural Portal Providing an online presence for the cultural sector, starting with an events portal	Ministry for Culture and Heritage	From 2005	\$3.9 M over 4 years



CONFIDENCE

GOAL

To provide all New Zealanders with the digital skills and confidence to find and use the information they need; and to ensure that telecommunications and the Internet in New Zealand are reliable and secure.

TARGETS

Capability

- To improve New Zealanders' digital literacy through ICT training and education programmes, including Digital Horizons initiatives
- To address skill shortages in the ICT industry through the Fluency in IT programme, starting in 2005.

Security

- From 2005, to launch the National Computer Security Campaign for home users and small businesses
- To pass anti-spam legislation by 2006.

KEY ACTIONS

ACTION	LEAD	TIME	\$
E-Education Initiatives Initiatives such as ICT-training programmes with proven positive outcomes (e.g. Computing for Free, Computers in Homes) operating under the Digital Horizons Strategy.	Ministry of Education	Ongoing	\$57 M across all e-education projects in 2004-05
National Computer Security Education Campaign Information for home users and small businesses on the basics of computer security. (With government and business organisations).	Internet Safety Group	2005	Public and private funding
Support for Internet Safety Group Hector's World, courses on cybersafety, NetSafe website, training in schools, and toll-free national helpline (0800 NETSAFE).	Ministry of Education	Ongoing	\$1.0 M
Anti-spam Bill Regulations to govern unsolicited communication.	Ministry of Economic Development	2005	N/A



CONNECTION

GOAL

New Zealand will be in the top quarter of the OECD for broadband uptake by 2010.

TARGETS

- To implement the Advanced Network by 2006
- To promote and support open access fibre networks in 15 cities and towns by 2009
- To achieve upper quartile OECD broadband performance by 2010 through policies promoting competition and economic development
- To create the conditions for all major public institutions (hospitals, libraries, and councils) to have access to a fast (1 Gbps) connection by 2010.

KEY ACTIONS

ACTION	LEAD	TIME	\$
Broadband Challenge A contestable fund providing support to partnerships intending to deploy open-access fibre networks in regional centres.	Ministry of Economic Development	2005-09	\$24 M
Advanced Network Implement high-speed, high-capacity network linking New Zealand's research and higher education institutions.	Ministry of Research Science & Technology	2005	\$multi- millions ²
Performance targets Work with industry and users to establish achievable, accountable, challenging broadband targets. ³	Ministry of Economic Development	2010	N/A
Telecommunications Act review Review operation of the Telecommunications Act, ⁴ and various regulatory issues in the telecommunications sector.	Ministry of Economic Development, Commerce Commission	2005	N/A

² Figure withheld due to commercial negotiations.

³ Working with Telecommunications Users' Association of New Zealand (www.tuanz.org.nz) and others.

⁴ See <http://www.med.govt.nz/pbt/telecom.html>



UNLOCKING THE POTENTIAL OF COMMUNITIES

GOAL

To enable communities to use technology to realise their social, cultural, and economic aspirations.

TARGETS

- Implement a contestable Community Partnership Fund in 2005
- Extend the reach of Project PROBE from schools into community centres and rural businesses from 2005
- Implement the Connecting Communities Strategy.

KEY ACTIONS

ACTION	LEAD	TIME	\$
Community Partnership Fund Contestable fund to build capacity in communities, develop strong local partnerships to develop ICT skills, capability, and digital content in regions and communities.	Ministry of Economic Development	2005-09	\$20.7 M
Project PROBE Extension Extend the reach of PROBE to regions where community coverage has been harder to achieve.	Ministry of Economic Development	2005-06	\$1.44 M

PROMOTING INNOVATION IN BUSINESS

GOAL

To enhance the contribution ICT makes to New Zealand's overall business productivity.

TARGETS

- To contribute to lifting the growth rate of the ICT sector towards 10% of GDP by firm-focused industry development
- To deliver a world-class business portal that assists capability development in New Zealand businesses by June 2008
- To assist an initial 30 small businesses to become skilled broadband users and develop their export potential by June 2006.



KEY ACTIONS

ACTION	LEAD	TIME	\$
Business ICT Productivity www.biz.org.nz to be extended as a world-class, one-stop capability-development portal providing access to key information and links to advisor-assisted services to businesses, including helping develop their e-business capability. (With NZTE)	Ministry of Economic Development	2005-09	\$10.4 M
Government ICT Procurement Government ICT procurement workshops led by industry to improve government purchasing practice, plus a specialist ICT procurement training module for public sector ICT purchasers. Policy work to address procurement issues to do with small suppliers.	New Zealand Trade & Enterprise	May 2005	\$0.3 M

TRANSFORMING GOVERNMENT

GOAL

The delivery of government information, services, and processes will be integrated, accessible, and customised.

TARGETS

- By June 2007, network and Internet technologies will be integral to the delivery of government information, services, and processes
- By June 2010, government operations will have been transformed through its use of the Internet.

KEY ACTIONS

ACTION	LEAD	TIME	\$
Delivering the E-government Strategy Develop E-government infrastructure in support of agency and sector initiatives to deliver the E-government Strategy, including the Authentication Programme, the e-Government Interoperability Framework, and Government Networks.	State Services Commission	Key milestones June 2007, June 2010	>\$10 M p.a. across government

HOW WE WILL MAKE IT HAPPEN

The government has committed to spend up to \$400 million over the next five years to make the Digital Strategy happen. But this won't be enough on its own to achieve our objectives. So we plan to use government money to encourage action and commitment by others – to provide seed funding and to stimulate activity.

The government has signalled its commitment to the Digital Strategy by making it a flagship initiative under GIF. It will provide nearly \$60 million of new money to implement the Digital Strategy, including \$44.7 million in contestable seed funding over four years for partnership-driven activity in two streams:

- **Community Partnership Fund** (\$20.7 million) for regional and community initiatives. The fund will support local partnerships to develop ICT capabilities, address issues of confidence in using ICT, or strengthen community projects through the use of ICT, and create and digitise distinctive and valuable New Zealand content and harness innovation in design and content.
- **the Broadband Challenge** (\$24 million) to enable affordable broadband roll-out based on competitive open access principles. The fund will promote high-speed capacity in regional centres and support innovative ways of making broadband available to smaller communities. We will give seed funding to partnerships with achievable business plans and the ability to make it happen.
 - There will be additional GIF funds for the Cultural Portal (\$3.9 million), for Biz.org.nz and business ICT productivity (\$10.4 million), and contingency monies for ICT procurement workshops and other initiatives.
 - There will be new funding for digital initiatives across departmental baselines.
 - Existing key digital programmes (such as the e-Education and the National Digital Heritage Archive programmes) will continue.



This shows that the government is serious about making change happen – creating a digital future for all New Zealanders.

MOVING FORWARD

- The Minister for Information Technology will appoint the members of the Digital Strategy Advisory Group in consultation with the Digital Ministers by 1 July 2005
- A Digital Secretariat will be appointed to manage implementation of the Strategy
- We will keep you informed of development via the Digital Strategy website – www.digitalstrategy.govt.nz This is where to find more information about the Strategy, its programmes, and its funding
- The Community Partnership Fund is a grassroots approach – give us your ideas!

You can help us achieve the aims of the Strategy by getting involved. We welcome your input.

MAJOR INITIATIVES AT A GLANCE

	NOW	2005-06	2006-07	2007-08	2008-09	2009-10	OUT YEARS	LEAD AGENCY
ENABLERS								
Content								
National Content Strategy		\$0.6 M – Design						National Library
The Cultural Portal		\$3.9 M				\$0.85 M	\$0.85M	Culture & Heritage
Te Ara		\$11 M						Culture & Heritage
National Digital Heritage Archive		\$24 M						National Library
Archway	\$8 M							
Māori Language Information		\$1 M per annum						Te Puni Kōkiri
Confidence								
Digital Horizons		Between \$45 M and \$60 M per annum						Education
Research Network Capability	\$0.45 M							Research, Science & Tech
Internet Safety Group		\$1 M per annum						Education
Anti-Spam Legislation		Baseline						
Connection								
Broadband Challenge		\$24 M						Economic Development
Advanced Network		\$10s of millions						Research, Science & Tech
Project PROBE	\$48 M							Education/Economic Dev
Schools ICT Network Upgrade	\$7 M							Education
USERS								
Communities								
Partnership Fund		\$20.7 M						Economic Development
PROBE Regional Extension		\$1.44 M						Economic Development
Whānau Connections		\$0.3 M						Te Puni Kōkiri
Connecting Communities Strategy		\$0.45 M per annum						Internal Affairs
Cyber Communities		\$0.9 M						Social Development
Business								
ICT Productivity		\$10.4 M						MED/Trade & Enterprise
ICT Procurement	\$0.3 M							Trade & Enterprise/SSC
NZTE Business Programmes		> \$9 M per annum						Trade & Enterprise
COMET		\$0.5 M						Economic Development
Government								
E-Government Strategy Development		> \$10 M per annum						State Services Commission
E-Local Government		Local Government Baselines						Local Government
Education Portal	\$0.7 M							Education
Transforming Government		Baselines						All Departments
Geospatial Online		\$0.5 M						Land Information NZ



www.digitalstrategy.govt.nz