

Competition – The Real story

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In regional and rural Australia, there is a strong feeling that the current telecommunications debate is not addressing the detail of what we really need. It is metro-centric and all about big business, big deals and big dollars.

In my neck of the woods, and across non-metro Australia, the sentiment is strongly against the full privatisation of Telstra.

I believe that the current strategy to win over ‘the bush’ is fatally flawed and so politically tainted that common-sense has been abandoned.

The mantra of competition is deafening, but largely misses the point. It is drowning out the weaker voices that are struggling to be heard above the massed choirs of the politically motivated and hopelessly conflicted vested interests.

And the much repeated observation that *real* competition means competition at the level of the customer access network is not resulting in action in regional and rural Australia.

The Emperor has no clothes.

Here’s how it’s seen in “The Bush”.

The health and vitality of Australia’s regional and rural economy is vital to the national well-being. Recent falls in agricultural exports, and the resultant balance-of-trade figures, is one indicator; Australia’s continuing reliance on mining exports to sustain economic growth is another. It’s convenient for the city to blame the drought, but the advent of rain alone will not assure regional development.

All rural-based sectors need to compete in a global market and to do so they require instant access to those markets. Market access is achieved through best-of-breed communications systems: low cost, efficient, and always available – anywhere, anytime.

The applications that create this essential circumstance, and the technological capability, both exist *right now*.

Competition that focuses on either gaining market share at the expense of the incumbent or viciously protecting market share against a new wave of nimble upstarts will necessarily be centred in the larger population centres.

It will be a long time before the market settles down and attention is given to our real needs.

But regional and rural needs are *as* urgent, probably *more* urgent, and the nation ignores them at its peril.

There is not one aspect of life in “the bush” that is not compromised by lack of access to the very best convergent communications services – and the cost is borne by the whole nation through increased reliance on low-cost foreign produce and cheap imports.

Well, that's enough of the blindingly obvious.

It's time to roll up the sleeves and get on with it. Want to sell Telstra? Sell it - the quicker the better. There's a new job description and old-thinkers need not apply.

Around the world, communities are becoming more self-reliant and are starting to develop innovative ways to solve their own problems. Whilst the boffins sit around arguing about who's got the best technology, towns, cities and shires around the world and across Australia are making do with less-than-perfect solutions - but getting desperately needed solutions nonetheless. In regional centres across Australia, private microwave point-to-point systems are proliferating to reduce local data costs and connect offices and factories with private data, and increasingly, voice *and* data networks.

City-wide wireless access systems – including Wi-Fi and pre-WiMAX networks - are being established in smaller and smaller communities; local kids, graduates of Universities and colleges are building wireless networks to service remote communities; country business people are setting up Community Telcos.

The action is in the CAN and the buzz is about self-reliance and local action.

The emergent model is one of local and regional partnerships between the back-haul carriers and empowered communities.

The Point is this.

What is needed is some new thinking and detailed planning.

We need the debate to start to focus on the future role of Local Government and regionally focussed bodies. Often decried by the Feds and the States, local governments are increasingly brokering success at the local level – they are the most in touch and have the most potential to solve local problems. We've accepted the relevance of "Think globally, act locally" now the nation needs to make this more than rhetoric.

As I travel regional Australia, the issues are more and more about how Local Government and Local Business will have to adapt – how very soon all of our communication services are going to be delivered from one or more private sector players – all of which have a sharper eye on the bottom-line and shareholder profits than on *our* needs and interests.

We've seen the failures. Each failure is a learning experience: we're getting better at it and we're learning self-reliance.

Where I come from, we did it with banks and petrol stations, now we're doing it with Broadband Wireless Access systems; with community owned pit'n'pipe; with strategic partnerships between carriers, vendors, local government and local business groups.

We're forming strategic alliances with agribusiness and regional manufacturers to look at sharing the costs of new infrastructure to achieve mutually beneficial outcomes for our remote communities and our farmers, foresters and irrigators.

We've learnt the lessons of Wi-Fi, a global success story that was possible because of ready access to spectrum and open standards delivering strong competition between multiple manufacturers and resulting in low costs.

We saw the rapid development of global portability – my notebook works around my home, my community, the nation and the world.

And we observed that Wi-Fi is like that other metaphor for bush ingenuity, a piece of eight gauge fencing wire. It isn't the optimal solution. It isn't even the right solution in some cases. But it keeps the bloody tractor going!

Convergence is a given- not a wish

We know what the technological future is. We know what convergence means. To a city dweller, it might mean voice, video and data through a big fat bit of cable; to us, it can also mean a single, low cost meshed network where tens of thousand of embedded CDMA or WiMax devices are managed by the same system that gives us on-net telephony between the paddock and the office; the same system connecting our vehicles and agricultural equipment to our back-office management systems; the same system that allows our workers in the field to have remote access to our data-bases and Terminal Server applications. A system we can build, own and operate in partnership with our regional stakeholders.

We can see our smaller townships and remote dwellers benefiting from our initiatives with our students accessing Schools, Colleges and Universities from libraries, homes and offices; our health workers accessing patient data remotely from nursing homes and private dwellings; our schools and libraries delivering low-cost access to negate the effects of the digital divide and comprehensively address local social equity issues.

Local wireless WANs can cover whole regions to provide all of these services, sustained economically by being built not to create profits for remote industry giants, but to provide vital applications and services and ensure our future viability and economic prosperity.

When we develop our lands, we install the agnostic pit'n'pipe to carry your services to our homes, offices and factories. We will grant access to that infrastructure to anyone with a value proposition. Read value, NOT price. With industry and Government support, we'll even provide fibre Passive Optic Networks to our new greenfield estates so that when you've got a good product to sell or good content to deliver, we'll happily purchase from you.

We won't charge you an arm and a leg for access – we'll practically *give* you access if there's a community benefit!

This activity is empowering. Our skills are growing. Our self-reliance is strengthened.

You want to sell Telstra? Then stop talking about “Natural Monopolies” and “subsidies” and “uneconomic communities”.

Want to help us help ourselves? Then listen. Want a laugh? Then keep sending well-meaning city consultancies to ‘the bush’. What's the going rate? \$40 - \$50,000 for a cloned report with place names changed and ABS data localised but little real comprehension of *our* issues.

Want to know how silly it gets? A few years ago a City consultancy advised seven North East Victorian Shires to ‘set up a committee’ and ‘build web sites for local government and local business’.

The towns they directed this sage advice to included Albury-Wodonga where a long-established regional ICT Committee, my committee, had overseen the construction of an 18,000 page Regional Portal – one the world's biggest – with 350 public and private sector web sites managed by locally written software and updated daily by a team of over 300 publishers aged between nine and 73.

The cut and past job missed the facts. Whoops. And we see it again and again.

It's a new era. The dinosaurs are still kings of the realm, but the marsupials are evolving and the ice-age is coming.

While the managers of our legacy systems struggle to squeeze the last drops of revenue from an aging network and desperately strive to buy our loyalty with low cost, low performance dross and long-term contracts, we'll be even more determined to build our self-reliance and take more and more control of our own destiny.

A thick layer of FUD – fear, uncertainty and doubt - and learned discussions of the relative merits of PLC versus Hybrid Fibre coax versus fibre-to-the-home versus Broadband Wireless Access isn't going to solve our problems or hide the reality.

What do we want?

We want open-standards that allow our investments to work locally, nationally and globally and to connect us seamlessly into a global marketplace. We want partnerships to help us build and maintain tomorrow's multi-gigabit access networks in our greenfield sites and, ultimately, to help us retrofit our existing homes, office and factories.

We want recognition that local communities can do it for themselves, and we want the patronising tone of the city debate to stop telling us how to suck eggs, and we want real acknowledgement of regional Australia's strengths and capacity.

We want the **Federal Government** to help us develop our plans and to provide support for or regional empowerment efforts by enacting suitable amendments to the regulatory regime to facilitate community access to BWA spectrum and to legitimise community ownership of last mile infrastructure without onerous regulatory conditions being attached.

We need Federal funds targeted to provide support for *local* initiatives - HiBis funds could be better directed toward community capacity building and the rules could support community deployment of such things as DSLAMs and Fibre Multiplexers.

Other non-Telecommunications portfolios such as Defence, Health and Education *can* provide cooperative support for our projects. Examples of this can be found in the way our region is exploring the Regional Skilled Migration program to ensure that the necessary IT skills are made available to us and working with Health partners to underwrite the cost of deploying BWA access tails.

State Government initiatives such as Victoria's Customer Access Demonstration Program and NSW's National Communications Fund 'Fibre Towns' Project need to be re-evaluated and adapted to provide vigorous support for local projects.

State Departments can be encouraged to engage with local communities and actively seek the achievement of greater community benefits from Departmental programs.

Local Governments must be supported and adequately resourced to manage their new responsibilities to discriminate between the increasingly complex offerings of multiple carriers instead of meekly accepting the largesse of the incumbent.

Decisions need to be made and regulations and guidelines developed and promulgated for the control of access and retention of rental income on new (and existing) pit'n'pipe, cable, network units, spectrum and fibre assets.

Over the last eight years in the Albury-Wodonga region we have been working on the problems and coming up with some solutions which we think will serve us well. We might have some useful ideas and we're happy to share them.

Who's listening?

We've found the most receptive ears belonged to the emergent players and the communities and businesses of our region's cities, towns and rural centres.

SPTelemedia, PhoneVision Australia, Adaptix, Intel, Globalstar, UTStarCom, Leighton-Nextgen, Intrapower - these are the names of just some of the industry players who are, to varying degrees, becoming partners in our vision - even AAPT and Optus are still talking to me. Telstra's taken the welcome mat home though.

We're ready, willing and able to accept our own responsibility in building our future.

The real competition story in Regional and rural Australia is this.

Bring it on – we haven't seen any yet.

If you will help us, we'll carry the can on the CAN, but we need you to connect us to the world.

A true partnership will ensure that we all come out winners.

Thank you.

