

**Submission to**

**DCITA**

**on**

**Backing Indigenous Ability**

**Delivering a comprehensive telecommunications package in  
Indigenous communities**

**June 2006**

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## 1. Overview

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### *Backing Indigenous Ability*

- 1.1 Backing Indigenous Ability is a \$90 million telecommunications and broadcasting program for Indigenous communities.
- 1.2 \$36.6 million has been allocated to the telecommunications component to provide access to phones, internet and videoconferencing in remote Indigenous communities.
- 1.3 The remaining \$53.4 million has been allocated to the broadcasting component of the program to replace ageing and unreliable radio infrastructure and strengthen access to the cultural benefits of Indigenous television.
- 1.4 The objectives of the program are to:
  - Follow a culturally appropriate approach that integrates effective responses to supply and demand constraints.
  - Involve and support communities to assist community members to take advantage of the opportunities provided by improved communications to achieve their community goal.
  - Build on previously tried successful models and activities while accommodating flexibility and innovation.
  - Encourage communication initiatives to underpin and support communities to better access existing Government and other services.
  - Enable telecommunications initiatives to be used to build capacity within communities.
  - Plan for the medium and longer term future of telecommunications within Indigenous communities by implementing the appropriate foundations now.
- 1.5 The telecommunications component of the Backing Indigenous Ability program will link closely with the other Connect Australia programs to ensure the efficient and effective delivery of telecommunications into Indigenous communities.
- 1.6 The funding is available from 1 July 2006.

### *Optus' role in delivering communications to indigenous telecommunications*

- 1.7 Optus has a broad range of experience in delivering telecommunications services to Indigenous communities.

### *New South Wales*

- 1.8 As part of the Australian Government's Cooperative Communications Infrastructure Fund (CIIF), Optus in partnership with the New South Wales Government, has installed satellite based distance learning technology for TAFE courses in 15 Indigenous communities in New South Wales.
- 1.9 Satellite service delivery permits TAFE to conduct training across a wide range of subject areas, from windows based computer skills, Indigenous culture, to welding and other standard TAFE courses.
- 1.10 The CCIF project has enabled Optus to build on its unique capability of matching the appropriate technology to the desired educational outcome for distance education.

### *Western Australia*

- 1.11 In Western Australia, Optus delivers the Department of Education's secure network via satellite to 47 remote schools. This service provides access to the Department's curriculum and administration networks, as well as internet access for primary, secondary and agricultural schools in remote areas. These schools cater for a large number of indigenous students.
- 1.12 Optus also delivers satellite based Internet Protocol (IP) video conferencing services to six indigenous communities as part of the Western Australian Department of Local Government and Regional Development's Telecentre Support Branch.
- 1.13 The communities are located in the State's North West and Goldfields region at: Djarindjin, Jarlmadangah, Ringer Soak, Nookanbah, Balgo and Tjuntjuntjara.
- 1.14 The video conferencing service has increased participation in meetings, reduced down time and costs associated with travelling, increased the frequency of meetings and staff morale and reduced feelings of isolation.

### *Queensland*

- 1.15 In Queensland, as part of the SmartNet arrangement Optus entered into with the Queensland Government, Optus signed an agreement with Balkanu – the providers of communications services to Cape York indigenous communities via its subsidiary Cape York Digital Network (CYDN).
- 1.16 Optus' five year contact with Balkanu includes funding of \$2.1 million from Optus for the purchase of telecommunications equipment, network access and the provision of training.
- 1.17 When staff of the CYDN have been sufficiently trained on Optus equipment, there is potential for CYDN to be engaged as Optus sub-contractors installing and maintaining Optus services throughout the vast Cape York region.
- 1.18 The intention of the program is for Optus to assist CYDN develop a sustainable, stand alone business by the end of the five year arrangement.

## **2. Response to Questions raised in the Backing Indigenous Ability Discussion Paper**

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### **2.1 What did TAPRIC and previous initiatives do well? Where did TAPRIC and previous initiatives fall short?**

Optus considers that TAPRIC set the bar too high. It attempted to achieve a large number of objectives, with a limited pool of funding.

Optus recommends that an expression of interest process be undertaken for the funds allocated under the Backing Indigenous Ability Program to test the variety and breadth of propositions from carriers. This approach would provide details on the number of Indigenous communities to be served, the technology matrix to be used and identify how funds from other Connect Australia programs can be leveraged.

The results of the EOI should form the basis for a request for tender. The request for tender should be issued as a competitive tender for all of the funds allocated under the Backing Indigenous Ability program. Support for the preparation of market responses by Indigenous communities should be listed as a tender requirement.

### **2.2 How can the design and delivery of Backing Indigenous Ability be optimised to achieve long term sustainable quality telecommunications solutions for Indigenous communities?**

Optus' experience is that long term sustainable quality telecommunications solutions for Indigenous communities will be achieved by recognition that the majority of Indigenous communities do not have sufficient resources to assess and develop a 'market response' or audit of their communication needs.

To ensure that Government funding is targeted at the deployment of technology that best meets the needs of Indigenous communities, the Backing Indigenous Ability program should provide support for the preparation of market responses as a tender requirement.

Optus' experience also suggests that Government initiatives will have greater success if providers of services to Indigenous communities have a strong track record and scale to deliver appropriate solutions.

Optus' experience has also demonstrated that:

- Government funding will need to be the primary source of funding for the sustainable deployment of indigenous communications;
- services delivered as part of a local health or education requirement have a far greater chance of being viable in the long term;
- some communities will take up the new communications services and use them with enthusiasm and prosper from that initiative; and

- many other communities will take years before they accept and benefit from the communications services offered.

Optus believes that a commitment from Government to provide long term on going support for the development of Indigenous communications services, even where results are patchy or limited, should be adopted as key benchmark for the Backing Indigenous Ability programs.

**2.3 Should the installation of community phones into Indigenous communities be regarded as a priority under Backing Indigenous Ability?**

Optus considers that the convergence of technologies will assist in the deployment of the installation of community phones or voice services and that the installation of community phones should be considered in this context. Voice-over-Internet-Protocol (VOIP) for example, delivers voice services via an IP stream and is a technology that is widely available, inexpensive and simple to replace.

Optus recommends that an expression of interest (EOI) process be undertaken for the funds allocated under the Backing Indigenous Ability Program to test the variety and breadth of propositions from carriers. This approach would provide details on the number of Indigenous communities to be served, the technology matrix to be used and identify how funds from other Connect Australia programs can be leveraged.

The results of the EOI should form the basis for a request for tender. The request for tender should be issued as a competitive tender for all of the funds allocated under the Backing Indigenous Ability program. Support for the preparation of market responses by Indigenous communities should be listed as a tender requirement.

**2.4 Is it appropriate to use regional agents and ICCs to identify communities in need of community phones and to assist them in an application process? How else could priority communities in need of community phones be identified?**

See Optus' response to 2.3.

**2.5 Is it appropriate to use an application process to identify a need for a community phone? If so, what should be the key elements of the application process? What are the alternatives to using an application process?**

See Optus' response to 2.3.

**2.6 Once priority communities requiring a community phone are identified, what is the best way to facilitate provision of the phone? For example, should there be a tender process or some other approach?**

See Optus' response to Question 2.3.

**2.7 Are hub communities the appropriate location for implementing public access Internet facilities? If so, how best can hub communities be prioritised as appropriate locations for new Internet access?**

Optus' experience has shown that 'hub communities' - those with more than 50 people - that already deliver a range of government and commercial services is the ideal location to provide new communications services, including internet facilities.

**2.8 Should Indigenous Coordination Centres (ICCs), regional agents or other assistance be used to identify communities with a need for Internet facilities and assist them in an application process? How else could priority sites for Internet facilities be identified?**

Optus strongly supports the concept of regional agents, ICCs and community representatives and others working to develop ownership of and input into communications services provided under the Backing Indigenous Ability program.

When new communications services are rolled out to Indigenous communities under the Backing Indigenous Ability program, representatives from these groups would in many instances, work for the providers of these services.

**2.9 Is it appropriate to use an application process for communities to identify a need for Internet facilities? If so, what should be the key elements of the application process? What alternative process could be used?**

Optus' experience is that the majority of Indigenous communities do not have sufficient resources to assess and develop a 'market response' or audit of their communication needs. This means that the communities with the most need are often the least able to articulate that need, including completing an application based process.

Optus supports the adoption of an alternative process. Optus recommends that an expression of interest (EOI) process be undertaken for the funds allocated under the Backing Indigenous Ability Program to test the variety and breadth of propositions from carriers. This approach would provide details on the number of Indigenous communities to be served, the technology matrix to be used and identify how funds from other Connect Australia programs can be leveraged.

The results of the EOI should form the basis for a request for tender. The request for tender should be issued as a competitive tender for all of the funds allocated under the Backing Indigenous Ability program. Support for the preparation of market responses for Indigenous communities should be listed as a tender requirement.

**2.10 Once implemented in a community, how best can the use of the facilities be encouraged? What arrangements such as Shared Responsibility Agreements or other local or regional agreements should be used for communities to support the installation and maintenance of Internet services?**

Optus' experience is that the use of communications facilities in Indigenous communities can best be encouraged by a commitment to a long term implementation campaign.

Such a campaign would include the provision of culturally appropriate training, repeated on a regular basis, and ensuring that Indigenous people are involved in all levels of the use and operation of the technology.

**2.11 Are there more innovative models of delivering Internet access to Indigenous communities?**

See Optus' response to 2.9.

**2.12 Are PC-based webcam videoconferencing facilities appropriate for Indigenous community needs? What parameters should be set for deciding when dedicated videoconferencing facilities need to be implemented into sites? What size of community is appropriate to receive videoconferencing facilities in the context of sustainability?**

Optus strongly supports the concept of regional agents, ICCs and community representatives and others working to develop ownership of and input into rollout of communications services, including video conference facilities, provided under the Backing Indigenous Ability program.

Currently, the quality of web based video conferencing facilities is a suitable technology for large Indigenous communities. As web based video conferencing products improve, they will have greater application in smaller communities.

**2.13 What factors are contributing to the low use of videoconferencing facilities in many communities?**

Optus' experience is that the factors contributing to the low use of video conferencing facilities are the same factors that contribute to the low use of all technologies in Indigenous communities.

Increasing use of video conferencing facilities can be overcome by the adoption of culturally appropriate training repeated on a regular basis, and a commitment to ensure ensuring that Indigenous people are involved in all levels of the use and operation of the technology.

**2.14 Should ICCs, regional agents or other assistance be used to identify communities with a need for videoconferencing facilities? How else could priority locations for videoconferencing facilities be identified?**

Identification of the need for video conferencing facilities should be assessed on the basis of demand from communities in consultation with regional agents, ICCs and other community representatives.

**2.15 What can be done to ensure that videoconferencing facilities introduced into a community are widely used? For example how should the appropriate location of videoconferencing sites be decided?**

Optus' experience is that video conference facilities will be more likely to be widely used if they and other telecommunications infrastructure and services are located near

valued community assets, such as health and education services. The location should provide easy access to all community members and be secure.

**2.16 Is it appropriate to use an application process for communities to identify a need for videoconferencing facilities? If so, what should be the key elements of the application process? Should communities need to establish a certain level of demand for the facilities as part of the application process?**

An application process is based on the assumption that all Indigenous communities have sufficient resources to assess and develop a 'market response' or audit of their communication needs. This is an incorrect assumption.

An application process for video conferencing limits a communities request to this service, and does not include provision for an assessment of what other technology or services may be more appropriate for their needs.

Optus supports the adoption of an alternative process. Optus recommends that an expression of interest (EOI) process be undertaken for the funds allocated under the Backing Indigenous Ability Program to test the variety and breadth of propositions from carriers. This approach would provide details on the number of Indigenous communities to be served, the technology matrix to be used and identify how funds from other Connect Australia programs can be leveraged.

The results of the EOI should form the basis for a request for tender. The request for tender should be issued as a competitive tender for all of the funds allocated under Backing Indigenous Ability program. Support for the preparation of market responses for Indigenous Communities should be listed as a tender requirement.

**2.17 What arrangements such as Shared Responsibility Agreements or other local or regional agreements should be used for communities to support the installation and maintenance of videoconferencing facilities? What form should these take?**

Optus supports the development of partnerships between members of Indigenous communities and service providers in all areas of service provision, from technical installation of facilities, training and operation of the services in the community.

Partnerships between providers and community members are varied and can take the form of a formal employment contract to unpaid local community 'champions' who can foster the use of and explain the benefits of new communications services.

**2.18 How best can skill gaps be identified? Is it appropriate to use the ICCs, community champions and regional agents to identify priority areas for training and skills development in the area of telecommunications? How else could training and skills development needs of communities be identified?**

Optus supports the inclusion of immediate technical support, and provision of day to day operation as two essential roles when assets are deployed under the Backing Indigenous Ability program.

Providers must be cognisant of the additional and ongoing training requirements for Indigenous communities, and anticipate and develop strategies to plan for a high turnover of technical support and operations staff.

**2.19 What types of training and skills development sessions on telecommunications are appropriate and how should these be implemented? Are different approaches required for different age groups? What flexible or innovative approaches could be undertaken to identify and deliver training and development sessions?**

Please refer to Optus' response to Question 2.18.

**2.20 Is a grants program an appropriate way to fund communities to deliver training and skills development sessions within accountability guidelines?**

Optus supports a grants program to fund the delivering of training and skills development in Indigenous communities when such training and skills development is linked to technology available in a community. Generic training not linked to technology available in a community should be avoided.

**2.21 How could communities support appropriate training and skills development programs?**

Optus' experience is that the combination of engaging communities early in the planing process for new communications services and inviting community members to own the community assets assists the success rate of training and skill development programs.

**2.22 What obstacles exist for the successful delivery of training and skills development?**

Optus' experience has shown that the main obstacles for the successful delivery of training and skills development in Indigenous communities is the constant change of the social and economic conditions of a community. This results in high turnover of people willing to deliver and undertake training and skill development programs.

Forward planning needs to assume that re-training on a frequent basis is required in order to maintain an acceptable level of service to the community.

**2.23 Are community champions an appropriate way to engage the community and assist them in using telecommunications technology? For what size of community would a community champion be appropriate? Would every Indigenous community with a phone, Internet or videoconferencing facility need access to a local champion?**

Optus strongly supports community champions in all communities as the most appropriate way for providers to engage with Indigenous communities and encourage community members to use telecommunications technology.

**2.24 What roles could community champions play within communities?**

Optus believes that a national rollout of communications services to Indigenous communities should include identification of community champions for each community.

Once identified and engaged, community champions would play an important role in early discussions and planning with providers to ensure network deployment meets local needs and is scalable to meet future needs or opportunities.

**2.25 What would be the best way to engage and compensate community champions for their role and how could their performance be monitored and assessed?**

Optus' view is that arrangements for compensation for community champions needs to be considered on a community by community basis, one approach will not fit all situations.

In some communities a direct reward to the individual would be appropriate. In other instances the community may be rewarded with reduced charges or other cost offsets.

**2.26 What models of delivering increased culturally appropriate content to the Internet could be introduced under Backing Indigenous Ability?**

Optus does not have a comment on this question.

**2.27 How could a grant or funding model to encourage development of culturally appropriate content be structured? What are the benefits and risks of the models?**

Optus does not have a comment on this question.

**2.28 Will the ability to digitally record and archive culturally significant material encourage usage of Internet services?**

Optus does not have a comment on this question.

**2.29 Will the ability to digitally record and archive culturally significant material encourage usage of Internet services?**

Optus does not have a comment on this question.

**2.30 Who should facilitate demand aggregation within communities and regions? Is it appropriate that ICCs, regional agents and community champions assist with demand aggregation or should alternative models be implemented (for example using a demand aggregation broker)?**

If the Government adopts a national roll out model to all Indigenous communities, the provider should be responsible for identifying and aggregating demand. This includes aggregating demand for services and for other crucial inputs for service delivery such as employees.

Optus supports a role for community champions and other community agents to support the provider in identifying this demand. If such a model is adopted, all other aggregation roles become irrelevant.

**2.31 What other initiatives could assist in demand aggregation?**

Please refer to Optus' response to Question 2.30.

**2.32 What innovative and/or flexible approaches are being used elsewhere that could be used to deliver elements of Backing Indigenous Ability?**

Optus does not have a comment on this question.

**2.33 What technologies offer greater flexibility and why?**

Optus believes that no single technology will offer 'greater flexibility' to meet all of the communications needs of Indigenous communities. This is due to the simple fact that the geographic location of a community impacts on what communications infrastructure it can access. One community may be close to a fibre network and other major communications infrastructure, where another community will be in remote Australia, where satellite delivery of communications services may be the only option.

Optus recommends that an expression of interest (EOI) process be undertaken for the funds allocated under the Backing Indigenous Ability Program to test the variety and breadth of propositions from carriers. This approach would provide details on the number of Indigenous communities to be served, the technology matrix to be used and identify how funds from other Connect Australia programs can be leveraged.

Optus envisages that backbone network technologies that would be proposed in a response to the EOI would range from direct DSL connection for some communities, to wireless and satellite delivered services for more remote communities.

**2.34 What are some innovative means of service delivery to provide telecommunications improvements to Indigenous communities?**

See Optus' response to 2.34.

**2.35 What are some innovative approaches that could be used to fund communities in need under the Backing Indigenous Ability program?**

Please refer to Optus' response to 2.33.

**2.36 How should funding be provided under Backing Indigenous Ability?**

See Optus' response to 2.33.

**2.37 What type(s) of funding provision best suit each program element?**

See Optus' response to 2.33.

**2.38 Should a mix of funding approaches be used?**

Optus supports the Government issuing a competitive tender for the entire Backing Indigenous Ability program after an EOI process has been completed. Also see Optus' response to 2.33.

**2.39 In delivering Backing Indigenous Ability in a culturally appropriate manner, what should be done to enable acceptance and ownership of telecommunications technology to aid sustainability within Indigenous communities?**

Optus experience has been that projects are successful where:

- Communities are engaged early in the planning process;
- Communities own' the assets in their communities and are responsible for their safe keeping and upkeep; and
- Indigenous people are incorporated in as many levels of the marketing and delivery channel as is possible and practical; and
- Training and ongoing support is provided by Indigenous people in a culturally appropriate way.

**2.40 What are some best practices in engaging communities in the planning, development and implementation stages of introducing or improving telecommunications technology?**

Please see Optus' response to Q 2.39.

**2.41 How can telecommunications services delivered to Indigenous communities become operationally and financially sustainable and remain sustainable beyond the life of the package?**

Optus believes that telecommunications services are unlikely to become financially sustainable, unless the community they are located in socially and economically stable. This reflects the reality that while a percentage of Indigenous communities are viable, vibrant places which function well, a greater percentage of Indigenous communities suffer from a greater or lesser degree of dysfunction.

As with the rest of the community, functional, prospering communities either do not require or will not require Government support for communications services in the near future. Effective markets are the product of effective communities.

Unfortunately, unless there is a dramatic improvement in the overall functionality and prosperity of the broader range of Indigenous communities then communications, as a supporting infrastructure, will remain financially unsustainable for many years to come. Optus believes that these communities will require some form of Government funding well into the foreseeable future.

The operational viability of telecommunications in these communities is likely to mirror the financial situation, except that employment and training in local support to communications services may facilitate improved viability.

**2.42 What innovative and flexible approaches could be used by communities to aid in the sustainability of telecommunications technology?**

Optus considers that the best approach is to support the adoption of scalable communications services to all Indigenous communities so the technology can support both current and future needs and opportunities of a community.

**2.43 How could telecommunications industry participants be encouraged to form partnerships with Indigenous communities? What form might these arrangements take?**

Optus strongly supports engagement with local communities with providers and considers that it should be a key or benchmark criteria in the design of and provision of services under the Backing Indigenous Ability program.

As part of carriers response to the request for tender process, of a community to engage in a partnership with providers should be considered as a criteria for the provision of communications services in a community.

**2.44 In what ways can local Indigenous Australians assist in service delivery of telecommunications in Indigenous communities?**

Under a national roll out, Optus envisages that Indigenous communities would be engaged in a full range of areas of service delivery:

- The community council would be instrumental in the overall set up, local ownership and responsibility for the equipment providing the service,
- The provider would be required to include Indigenous Australians in the training, support and management areas of its operation, and
- The local 'face' of telecommunications would be an Indigenous representative with a large percentage of the first line technical and operational staff and sales force from the local community, where this reflects what the community had requested.

**2.45 How should Backing Indigenous Ability use arrangements such as Shared Responsibility Agreements to facilitate arrangements with communities?**

To date, responsibility and a sense of ownership of the services by Indigenous community members have been integral and a critical success factor of Optus' service provision to Indigenous communities.

Shared Responsibility Agreements may be a simple vehicle to manage such responsibility and ownership where communities wish to adopt this mechanism.

**2.46 What elements of Backing Indigenous Ability should or should not be formalised through agreements with communities to share responsibilities and ensure appropriate service delivery?**

Optus considers that wherever possible, vehicles to allow the community some control and to recognise responsibility should be built into service delivery.

**2.47 What elements of Backing Indigenous Ability should or should not be formalised through agreements with communities to share responsibilities and ensure appropriate service delivery?**

Optus does not have a view on what percentage of agreements with communities should be formalised.

However at a minimum, as part of any formal arrangement with communities, Optus supports the inclusion of the protection and safe keeping of necessary telecommunications equipment coupled with an ease of access for those people who wish to use the services.

**2.48 How can existing infrastructure and services in communities be used to provide access to a wider range of uses and users from the community?**

Optus' view is that communications infrastructure has the potential to deliver a broad range of government and commercial services. Also refer to Optus' response to Q 2.2.

**2.49 Are there any other key stakeholders that should be consulted (other than through this discussion paper and the consultation sessions planned for March and April identified at Section 8 below) in the design and implementation of Backing Indigenous Ability?**

Optus considers that the Department should hold additional consultations on the design and implementation of Backing Indigenous Ability with current providers of communications services to Indigenous communities.

**2.50 How best can Backing Indigenous Ability link in with the other elements of Connect Australia to ensure an efficient and effective delivery of telecommunications into Indigenous communities?**

Optus supports providers considering how they could build or leverage their proposals for all Connect Australia programs to include services to Indigenous communities as part of their response to the EOI process.

**2.51 How best can the progress of Backing Indigenous Ability be monitored and assessed? How often should a formal assessment of Backing Indigenous Ability be undertaken?**

Optus' view is that longitudinal studies to monitor and measure pre and post implementation of programs and their sustainability should be conducted by the Department in collaboration with educational institutions.

Optus is currently conducting one such study in collaboration with the University of Sydney and the Batchelor Institute of Technology in the Northern Territory. Part of this project is reviewing the impact of the implementation of interactive distance learning platform on Indigenous education in New South Wales and the Northern Territory.