

Wednesday, 6 April 2011

Mr Adam Anderson
Managing Director
Contract I.T. Pty Ltd

Response to Inquiry into the National Broadband Network

Dear Mr McGowan

The following comments will cover some of the terms of reference

- a) the delivery of government services and programs;
- b) achieving health outcomes;
- c) improving the educational resources and training available for teachers and students;
- d) the management of Australia's built and natural resources and environmental sustainability;
- e) impacting regional economic growth and employment opportunities;
- f) impacting business efficiencies and revenues, particularly for small and medium business, and Australia's export market;
- g) interaction with research and development and related innovation investments;
- h) facilitating community and social benefits; and
- i) The optimal capacity and technological requirements of a network to deliver these outcomes.

A. Delivery of Government Services

Standardised infrastructure and performance, presently internet performance is fragmented meaning that the development and maintenance of services for delivery over the internet is more complex and expensive than if there was less fragmentation. An example in point is ABC iView, this service must support both high bandwidth and low bandwidth connections. A universal minimum bandwidth that satisfied quality requirements would mean a reduction in the complexity and cost of delivering this service. This is true of all mass market service delivery over the internet.

B. Achieving Health outcomes

The ability of Government to achieve health outcomes is based on it's ability to deliver health services. The reduction in service delivery costs and service delivery complexity outlined in A. frees up both human and financial resources that can be used to improve the efficiency of the health sector. Closing the loop in patient care will result in a Health care system that is self adapting to changing patient needs.

C. Improving the educational resources and training available for teachers and students

The present rapid growth of information technology systems is reflective of the abundance of educational resources present on the internet that pertain to technology. The explosive growth seen in I.T. will be reflected in other areas of industry as those industries come online via the NBN. Globally this is already occurring. There will be a shift from actual primary education taking place in a formal to an informal environment as the coverage and depth of information on the internet increases. Australia's ability to keep pace with this explosive change will depend entirely on the delivery of this information. Try searching on YouTube for "how to".

D. The management of Australia's built and natural resources and environmental sustainability

Availability of data is the primary requirement for producing useful information. The ubiquitous delivery of data can only improve the ability of government and research organisations to make intelligent decisions regarding distributed assets. A case in point, Machine vision is one technology presently being used in coastal environmental management, limited by the availability and cost of infrastructure in place. This is one example of a bandwidth intensive application that will benefit if the NBN were in place today.

E. Impacting regional economic growth and employment opportunities

The economic benefits from an interface to the global community will be directly proportional to the performance provided by the NBN, largely irrespective of geographical location. Performance of the NBN is the new metric by which we can measure economic isolation.

F. Impacting business efficiencies and revenues, particularly for small and medium business, and Australia's export market

The upfront realistic benefit is the ability for business to reach a broader market more effectively, as Contract I.T. has done selling products internationally, this is only a superficial benefit and is already realised by some businesses. Primarily the ability of smaller organisations to interact will create a more dynamic and interconnected business environment. There will be greater specialisation and resultant efficiency as a direct result of the increased capability of organisations to communicate. Business automation facilitated by I.T. services, delivered over the NBN, such as Cloud services, remote I.T. maintenance, and the business equivalent of social networking will be the drivers of these improvements.

G. Interaction with research and development and related innovation investments

If I understand this vague sentence correctly, it is asking what effect will the NBN have on investment in innovation? Hmm well, if we aren't competitive then there will be a reduction in investment. This is mainly a cost/benefit question regarding the NBN, and it is difficult to answer as it is dependent on unknown factors such as the future performance of foreign networks and business systems. Suffice to say I do not envisage a scenario where the Australian NBN provides too much comparative performance v foreign networks, so we shall consider it a cost question, is the NBN too expensive? Only the market can tell. Personally I feel that the printing press was a good investment and that we should continue the tradition.

H. Facilitating community and social benefits

Let's be perfectly clear, the NBN is a facilitating technology, how we engage and interact with that technology will determine if Australia experiences social benefits or not. The technology itself is neutral. We can do more good and we can do more bad. Facebook has more than 500 million people connected to it, this entry level of social interaction can only increase a humanist approach to social issues. If you have 100 friends on Facebook and 12 of them are starving to death you might be more inclined to engage in social issues.

I. The optimal capacity and technological requirements of a network to deliver these outcomes

As long as the NBN follows Moore's Law it will be in keeping with industry trends.

This letter only scrapes at the surface of the benefits the NBN can provide for Australia. The earlier we adopt this technology the exponentially better off we will be.

Yours Sincerely

Adam Anderson
Managing Director
Contract I.T. Pty Ltd