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TCO/10644

Ms Vicki Buchbach
The Committee Manager
Standing Committee on Broadband in Rural and Regional Communities
Parliament House
Macquarie St
SYDNEY NSW 2000

Dear Ms Buchbach

On behalf of the Premier, I write concerning your current inquiry into broadband in rural and regional communities and in particular your request for a submission on matters raised in the discussion paper *Key Issues for Further Investigation*.

I attach the NSW Government submission to this discussion paper. I trust this information will be of assistance.

Yours sincerely

JL Schmidt
for Robyn Kruk
Director-General

NSW GOVERNMENT
SUBMISSION

TO THE

STANDING COMMITTEE ON BROADBAND
IN RURAL AND REGIONAL COMMUNITIES

May 2008

1. Introduction

On 21 June 2007, the Legislative Assembly Standing Committee on Broadband in Rural and Regional Communities was established to inquire into the needs of rural and regional communities in relation to telecommunications (including broadband) and other technology services and, in particular, to report on the following terms of reference:

a. the availability of telecommunications (including broadband) and other technology services in rural and regional communities;

b. the benefits and opportunities for rural and regional communities of having access to telecommunications (including broadband) and other technology services;

c. disincentives and barriers to the provision of telecommunications (including broadband) and other technology services to rural and regional communities;

d. the consequences for rural and regional communities of not having, or not having adequate, access to telecommunications (including broadband) and other technology services, having regard to likely future industry and technological developments; and

e. options for encouraging providers of telecommunications (including broadband) and other technology services to extend services to rural and regional communities.

In October 2007, the Committee called for submissions and received 41 submissions including from the NSW Departments of Commerce, State and Regional Development, Health and Education and Training. These submissions provided the Committee with information regarding the current situation concerning broadband in rural and regional NSW and provided details of relevant NSW Government programs and policies.

In March 2008, the Committee released a discussion paper to highlight the key issues raised in the submissions and called for further submissions. The Committee is particularly interested in receiving further information about Commonwealth and State programs to improve access to broadband services and case studies of how broadband can help rural and regional communities and businesses.

The NSW Government is pleased to assist the Committee by submitting some additional information on its programs (section 2) and relevant case studies of how broadband can help rural and regional communities and businesses (section 3).

2. Programs to improve access to broadband

While the NSW Government has a role in encouraging and supporting better broadband services for the State, the regulation and provision of telecommunications (including broadband) is the responsibility of the Commonwealth Government. The NSW Government's role in the delivery of broadband services needs to be consistent with national level initiatives.

On 11 April 2008, the Commonwealth Minister for Broadband, Communications and the Digital Economy announced the release of a Request for Proposal to roll out and operate a new, open access, high-speed, fibre-based broadband network. The outcome of this process will greatly affect the provision of broadband services in rural and regional NSW. It will also influence the NSW Government's future role in relation to broadband services.

The NSW Government's role will also be consistent with the principle, as contained in NSW Government Statement on Innovation, that Government intervention should aim to complement, not substitute for or compete with activities of private companies.

Consistent with these principles, the key NSW Government initiative is the establishment of the NSW Government Broadband Service. This service is delivering high speed data telecommunications infrastructure to 24 regional centres around NSW. The Government entered into a five year contract with Soul (previously SPT Telecommunications) to implement and operate the Core Network utilising both fibre optic and microwave networks supplied by Soul and other carriers.

The Government Broadband Service has led to the provision of additional cost effective broadband services because the size of Government demand created economies of scale which encouraged providers to expand and provide broadband services to the private sector and households in rural and regional NSW. In this case, Government has used its purchasing power as a catalyst for the provision of broadband to rural and regional communities.

The NSW Government has demonstrated that appropriate government procurement can lead to the provision of broadband and other services to rural and regional areas by establishing a critical mass for providers and encouraging competition.

3. Case Studies

3.1 Education

Remote and regional schools, colleges and communities can benefit greatly from access to broadband. Connectivity is a means of overcoming the "tyranny of distance". Appropriate broadband services facilitate the delivery of rich educational content, broader curriculum choice and increased collaboration between educational facilities. Improved education and training opportunities within local communities may encourage young people to stay within their communities, where previously they needed to move away to pursue educational opportunities.

Distance Education
Improved access to broadband would assist the Department of Education and Training to expand the use of broadband in Distance Education. Currently, Distance Education schools provide lessons via satellite transmission to primary students in 240 geographically isolated homes. Students participate in

highly interactive lessons using video, two-way audio, text messaging, telephony, interactive whiteboards and a range of computer software applications facilitating collaboration. Some remote communities and all home sites are able to receive TAFE courses, and planning is underway for a phased implementation of satellite education for isolated secondary distance education students.

Videoconferencing and other technologies are enabling virtual classes where a teacher in one school can teach a class of students across a number of schools, with the teacher and students being visible to each other and being able to interact in real time. This is expanding subject choice, allowing some schools to offer Years 11 and 12 for the first time. It is also increasing retention rates, providing locally an education that some students could previously only receive by going away to boarding school.

The Distance Education Access Program links 22 rural and remote schools in five geographical clusters across rural NSW to provide a shared curriculum for Years 11 and 12 students via daily use of video conferences. The technology also allows for delivery from a range of external working environments including commercial kitchens, mechanical workshops and outdoor workplaces, further enhancing learning opportunities. By pooling physical, teaching and financial resources from individual schools an access cluster can offer an increased number of courses for students, including vocational education and training (VET) courses.

Country Areas Program
This project provided enhanced teaching and learning opportunities for 48 small cohort schools in eight cluster groups across three NSW Department of Education and Training regions in rural areas. Using broadband collaboration technologies, objectives included increasing students' social and educational connectedness, increasing peer interaction, and enhancing curriculum outcomes.

Orange Group of Schools
In 2008, the Orange Group of Schools, including Orange High School, Canobolas Rural Technology High School, Blayney High School and Molong Central School, is offering an additional 36 subjects for Higher School Certificate study, with broadband services supporting the co-ordination of a wide range of learning activities between the member schools. This new model for curriculum delivery affects over 500 regional students resulting in approximately 70 students being able to access a curriculum pattern of their choice.

Department of Education and Training Western Region
The Regional Director, School Education Directors, consultancy and support staff in Western NSW Region utilise video conferencing on a regular basis to facilitate professional learning, administrative management and planning activities. Cost savings in travel expenditure and impacts on staff well-being are proving to be significant. Access to a reliable interactive communication

system is also supporting staff to engage in more detailed planning and reporting processes.

3.2 Rural and Regional Development

Fibre Towns Infrastructure Project
The NSW Fibre Towns Project delivered alternative 'last mile' infrastructure and broadband services to more than 60 regional Health and Education sites in 16 NSW Regional cities. The $7 million project was partly funded by a $3.5 million Commonwealth National Communications Fund grant and constructed an average of 8km of last mile optical fibre loops in each centre using Country Energy power poles for cost effectiveness. The infrastructure delivered by this project improves the competition for business and retail broadband users in these centres as a number of service providers have expressed interest in leveraging off the optical fibre infrastructure.