TELSTRA CORPORATION LIMITED
Submission to the Department of the Prime Minister & Cabinet's Closing the Gap Refresh

30 April 2018

1. Introduction

This submission is a response to the Australian Government's *Closing the Gap, The Next Phase, Public Discussion Paper.* Consistent with the spirit of this paper, we present Telstra's view on the importance of digital inclusion as a key commitment and measurable outcome for a refreshed *Closing the Gap* agenda.

At Telstra, we believe that digital inclusion is inextricably linked to economic, community and individual prosperity, and that the benefits of the digital economy cannot be shared equally when Indigenous Australians are still facing real barriers to online participation.

We also believe that improving the lives of Aboriginal and Torres Strait Islander Peoples through enhanced connection and capability is a shared responsibility – that government, business and not-for-profit organisations along with Aboriginal and Torres Strait Islander Peoples and communities all have a role to play in bringing about the conditions for Indigenous success in the digital age.

Our submission therefore focuses on digital inclusion and broadly responds to three of the Discussion Paper questions:

- *What do you think are the key targets or commitments that should be measured in a refreshed Closing the Gap agenda?*
- *What indicators should governments focus on to best support the needs and aspirations of Aboriginal and Torres Strait Islander Peoples?*
- *How can governments, Aboriginal and Torres Strait Islander peoples and businesses work more effectively together?*

2. What Closing the Gap means to Telstra

Telstra's purpose is to create a brilliant connected future for everyone. Our vision for reconciliation is an inclusive Australia where Aboriginal and Torres Strait Islander Peoples are connected and empowered to thrive. For Telstra, Closing the Gap is about improving economic participation and social wellbeing by closing the 'digital gap'. This is reflected in our commitments in the Connection and Capability pillar of our current Reconciliation Action Plan, which focuses on addressing digital inclusion.

More broadly, we see the *Closing the Gap* agenda as providing a useful point of reference and measure for corporate sector organisations who seek to sharpen and align the focus of their own commitments to Indigenous Australia. It is our view that the effectiveness of *Closing the Gap* commitments and targets will rely on the genuine engagement with and empowerment of Indigenous organisations to decide and drive the agenda.

3. Closing the Digital Gap

Digital inclusion is about using technology as a channel to improve skills, to enhance quality of life, to drive education and to promote economic wellbeing across all elements of society. Digital inclusion is really about social and economic inclusion. It is based on the premise that everyone should be able to make full use of digital technologies – to manage their health and wellbeing, access education and services, organise their finances, and connect with family, friends and the world beyond. The goal of digital inclusion is to enable everyone to access and use digital technologies effectively.

3.1 The link between digital inclusion and social and economic wellbeing

While there are significant gains to efficiency and effectiveness available to government, business and not-for-profit organisations through digital service delivery, the benefits of the digital economy cannot be shared equally when some groups and individuals are still facing real barriers to online participation.

In recent years the digital divide has narrowed, but it has also deepened. The latest ABS Census data (2016) shows there were around 1.2 million dwellings (14% of total dwellings) where the internet was not accessed.[1] Further, the latest ABS Household Use of Information Technology, 2016–17, found that around 2.6 million Australians aged 15 years and over (13.5%) are not online.[2] These Australians are at risk of missing out on the advantages digital technology can offer. As the internet becomes the default medium for almost everything we do, the disadvantages of being offline grow greater and being connected becomes a necessity rather than a luxury.

Access to the internet is increasingly recognised and considered as a human right, particularly in terms of the right to freedom of expression, democratic participation and in the redressing of structural disadvantage. A number of countries have formally recognised the human right to access the Internet, with a particular emphasis on facilitating accessibility of communications technologies for disadvantaged, marginalised and vulnerable groups.

Digital inclusion is seen as an important strategy for addressing structural disadvantage. For example, the 2015 *Dropping off the Edge* report [3] includes 'lack of Internet access' as one of 22 indicators of disadvantage, noting that those lacking internet access are also "those on low incomes, without tertiary education, living in rural/remote areas, of Aboriginal and Torres Strait Islander heritage, with disabilities, with a language background other than English, and aged over 55".

Also highlighting the importance of digital inclusion as part of the approach to reduce disadvantage, the Australian Council of Social Services (2016:3) [4] argues that:

> *"While the concept of 'inclusion' has an ever-changing meaning socially, culturally and economically, digital engagement is increasingly seen as a key vehicle to social and economic inclusion. Policies designed to ensure income adequacy and alleviate poverty, and programs that address deprivation and hardship, need to incorporate digital inclusion and core elements of infrastructure (for example through access to the internet)."*

Internet access is increasingly regarded as an essential service, not dissimilar to gas, electricity or water, and as such digital inclusion poses a major social justice challenge – it is critical to employment participation, economic development, educational achievement, social and civic inclusion, health and wellbeing.

The Australian Digital Inclusion Index 2017 demonstrates that across the nation, digital inclusion follows clear economic and social contours (the contours of disadvantage). It is our view that digital inclusion is a pathway to economic, individual, community and environmental prosperity for Aboriginal and Torres Strait Islander People.

3.2   How is digital inclusion measured?

If the benefits of digital technology are to be shared by Indigenous Australians, barriers to inclusion must first be identified and tackled. While access and affordability are clearly part of the picture, a person's Digital Ability also plays a key role in helping or hindering participation.

The Australian Digital Inclusion Index was created to measure the level of digital inclusion across the Australian population, and to monitor this level over time. Using data collected by Roy Morgan Research, the Index is developed through a collaborative partnership between RMIT University, Centre for Social Impact Swinburne, Roy Morgan Research and Telstra.

The Australian Digital Inclusion Index measures three vital dimensions of digital inclusion: Access, Affordability, and Digital Ability. Each of these three sub-indices is made up of various *components*, which are in turn built up from underlying variables.

The Access sub-index has *three components*:
- Internet Access: frequency, places, and number of access points
- Internet Technology: computers, mobile phones, mobile broadband, and fixed broadband
- Internet Data Allowance: mobile and fixed internet

The Affordability sub-index has *two components*:
- Relative Expenditure: share of household income spent on internet access

- Value of Expenditure: total internet data allowance per dollar of expenditure

The <u>Digital Ability</u> sub-index has *three components*:
- Attitudes, including notions of control, enthusiasm, learning, and confidence
- Basic Skills, including mobile phone, banking, shopping, community, and information skills
- Activities, including accessing content, communication, transactions, commerce, media, and information

3.3   Indigenous Australians and the Digital Gap

The Australian Digital Inclusion Index (the Index) reveals that a digital divide exists in Australia, and with it comes the risk of deepening social, economic, and cultural inequalities.

The 2017 Index data illuminates the social and economic aspects of digital inclusion in Australia. It clearly shows that digital inclusion is influenced by differences in income, education levels, employment and the geography of socioeconomic disadvantage, and that some Australian communities are falling further behind.

The Index points to several sociodemographic groups that are Australia's most digitally excluded in 2017, with scores well below the national average (56.5). In ascending order, these groups are: people in low income households (41.1), people aged 65+ (42.9), people with a disability (47.0), people who did not complete secondary school (47.4), Indigenous Australians (49.5), and people not in paid employment (50.2). Indigenous Australians will be represented in each of these cohorts.

Since the Index does not survey *remote* Indigenous communities, it is likely that the Index scores for Indigenous Australians are skewed upwards. It is well known that this gap is much greater for remote Indigenous communities where high levels of geographic isolation and socioeconomic disadvantage pose real challenges for digital inclusion.

Other surveys show that those living in remote areas are less likely to have an internet connection. For instance, the ABS' National Aboriginal and Torres Strait Islander Social Survey (NATSISS) shows that while 85.7% of Aboriginal people living in urban and regional areas have accessed the internet in the last 12 months, only 53.1% of those living in remote and very remote areas have done so. For daily use, this drops to 64.1% and 25.2% respectively. However, the NATSISS does not tell us which devices people are using to access the internet. These data gaps make it difficult to provide a full picture of digital inclusion for Indigenous Australians.[5]

While the 2017 Index data reflects rising levels of digital inclusion for Indigenous Australians in non-remote areas, there are important distinctions in how Indigenous Australians access the internet and aspects of digital exclusion may persist for this group even as technology adoption increases.

The Index data shows that Indigenous Australians are much more likely to be mobile-only users (49% of those surveyed) compared with the total population (21.3%). Mobile-only use is likely to affect the Affordability score.[6] While Indigenous Australians' Relative Expenditure does not differ greatly from the wider population (1.3 points lower), they get significantly less value out of that expenditure (12.7 points lower) because mobile data costs more than fixed line data.

Mobile-only users also tend to have lower Digital Ability, which may explain why Indigenous Australians score lower than average on Basic Skills (11.9 lower) and Activities (7.5 lower). In particular, they are far less likely to use the internet for transactions and shopping.

The low Index score for Indigenous Australians cannot be explained by low socioeconomic status (SES) alone. While the average household income of Indigenous Australians is lower than that of the general population, when comparing low-SES Indigenous people with the total low-SES population, Indigenous Australians still score lower across all three sub-indices – Access, Affordability and Ability.

In 2014 Telstra consulted 30 Indigenous organisations to better understand the barriers to Digital inclusion and to inform our 2015-2018 Reconciliation Action Plan. Five key barriers to Indigenous digital inclusion were identified:

1. Infrastructure: this barrier is essentially about the 'pipes' to the home, community or organisation.

2. Hardware in the home: this goes to the logistics and support that is necessary to get modems, computers or Wi-Fi into the home or in the provision of community services such as community WiFi or hubs.

3. Affordability: this barrier is about people's ability and willingness to pay for phone plans and other digital services and devices.

4. Propensity: this barrier is about the ability and desire of individuals to take up and use digital services and technology.

5. Appropriate web based services: this is about the barrier created when services are very wordy and difficult to navigate.

These barriers operate as a hierarchy. For example, there is no sense in having 'appropriate web based services' if the 'propensity' to take up the service is not there. There is no sense in addressing propensity issues if a person cannot afford the service, and so on up the chain.

3.4   A strengths based approach to Indigenous digital inclusion

The Australian Digital Inclusion Index 2017 report highlights that Indigenous Australians score relatively highly on attitudes to digital technologies – meaning they tend to see technology as giving them greater control over their life; they're interested in being able to access the internet wherever they are; and they go out of their way to learn new things.

Therefore, while Indigenous Australians are disadvantaged across multiple dimensions of the Index, they are more likely than the general population to see digital technologies as a pathway to a better future. This suggests that digital capability programs specifically for Indigenous Australians may be beneficial and have a high rate of success.

Over the past three years, Telstra has made significant investments in Indigenous digital capability programs, including *Deadly Digital Communiti*es, which is delivered via Indigenous Knowledge Centres in Queensland, and *Tech Savvy Elders*, an intergenerational program bringing together students and older community members to develop digital skills via storytelling (in partnership with the Burraga Foundation). Below are two detailed examples with some key insights for effective program implementation.

3.4.1   inDigiMOB

Over the past three years, Telstra has worked in partnership with the Indigenous Remote Communications Association (IRCA) to pilot a community digital capability program in Northern Territory communities. i*nDigiMOB* implements a culturally appropriate framework and model for transfer of digital skills and cyber-safety awareness, and helps to develop locally relevant training resources, tools and content with and for the community.

Since *inDigiMOB's* inception, more than 800 community members have benefited from the program, which has facilitated exposure to technology and skills development through on-the-ground partner organisations, including Tangentyere Council, ARDS Aboriginal Corporation and Batchelor Institute of Indigenous Tertiary Education.

The program has three delivery models – embedded, targeted and online access - which allows flexibility to respond to the diversity in infrastructure, access, need, skill and interest encountered in different remote communities.

The implementation of *inDigiMOB* has highlighted a number of key success factors for Indigenous community digital capability programs in remote locations:

- Continuity and ongoing development of digital literacy programs is critical.

- Local ownership of all aspects of the program is essential - building upon the capacity of existing organisations, infrastructure and programs.

- Digital mentors and community members play a vital role in identifying the appropriate frameworks for aligning and integrating digital access and activities within existing cultural structures.

- A flexible and locally targeted approach is more likely to work than a one-size-fits-all model given the diversity of communities.

- Cultural creation, documentation, preservation and dissemination are key drivers of engagement with digital technology.

- Digital infrastructure, and the ability to use and access this, is essential to the financial and civic wellbeing of community members, especially as government and financial services transition online.

- Identification of appropriate sites and partnerships takes time and effort, however upfront investment in planning, engagement and risk management is essential to securing outcomes.

The issue of just where accountability lies for ensuring residents of remote communities can access, afford and benefit from participating in the digital world needs to be addressed. Adding Digital Inclusion to the *Closing the Gap* indicators may be a key strategy in resolving this issue.

3.4.2   *Indigenous Digital Excellence (IDX)*

While it is critical that Indigenous digital inclusion challenges are addressed, it is equally important to recognise the digital excellence that already exists in Indigenous Australia, and to cultivate, support and nurture this to create new opportunities and ventures. Indigenous Australians, families, communities and organisations are already innovators, creators and participants in the digital economy.

Through our Telstra Foundation partners we are building digital making and digital citizenship skills in communities, classrooms and public libraries across Australia. Through the *IDX Flint* program, we invest in the co-design and delivery of digital learning experiences in remote and regional Indigenous communities, focussed on coding, drones, 3D printing, robotics, cyber-safety and creativity skills.

A Roadmap for Building Indigenous Digital Excellence: Looking to 2030 brings together the wisdom and data from three years of consultation, experimentation and learning from Aboriginal and Torres Strait Islander digital makers, organisations and communities. The information was captured and distilled by the National Centre of Indigenous Excellence (NCIE) and Telstra Foundation to form Australia's first strategy for driving Indigenous digital excellence.

This IDX Roadmap recognises that Indigenous digital excellence applies to and impacts all areas of life including the environment, education, culture, entrepreneurship, health and social wellbeing. It builds on the pioneering nature of innovation that has existed within Indigenous communities since the beginning of time, and harnesses Indigenous perspectives - identifying innovation in the way that Indigenous Australians view, understand and engage with the world.

The IDX Roadmap identifies what we – as a nation, community and ecosystem – need to focus on to increase Indigenous digital participation. The Roadmap can be found at http://www.ouridxfuture.net.au/.

4.   The value of collaboration and co-investment to promote Indigenous digital inclusion

For affected communities, and for researchers, practitioners, and policy-makers alike, digital inclusion poses both a complex challenge and an important goal – one that calls for a coordinated effort from multiple organisations, across many sectors. Solving complex problems requires the sharing of skills, resources and perspectives and working in partnership is critical - no organisation has all the answers or capabilities. Engagement with and empowerment of Indigenous organisations to address digital inclusion is essential.

Co-investment and collaboration between Indigenous organisations, government and business can be an effective way of expanding the reach and ensuring the appropriateness of program implementation to deliver genuine change.

At Telstra we understand that telecommunications infrastructure is the foundation for digital inclusion and that in the 21st century world-class telecommunications access in remote communities can be more important than a road. By helping make opportunity personal and ubiquitous, (beyond the well-recognised role of nbn satellite) digital connectivity can provide remote towns, settlements and individuals with health, education and economic benefits that simply weren't possible before. However, there are significant cost challenges to 'going it alone' in delivering sustainable mobile or fixed data connectivity in sparsely populated areas.

Telstra has a long history of network co-investment to support Indigenous digital inclusion. For example:

- In 2015 Telstra entered into a three year $30 million infrastructure co-investment agreement with the Northern Territory (NT) government which is providing new mobile network access to 12 remote communities, and enabled a further three to receive fixed broadband, in addition to existing mobile services. This follows a previous co-investment in the NT which delivered mobile and broadband infrastructure to 13 Indigenous communities, providing equivalent telecommunications services to those typical of regional centres and cities.

- In Queensland, Telstra works with Local Aboriginal Shire Councils and State and Federal agencies to provide digital network and mobile services to remote communities in Cape York and Torres Strait. One such example is the Torres Strait Digital Expansion Project to increase network capacity linking the mainland to central and northern Torres Strait islands.

- In 2017, Telstra announced a commitment to continuing our work to improve regional mobile coverage over the next five years, which includes setting aside $100-$200 million for new regional co-investments. This is part of a long term commitment to regional Australia to enhance and extend mobile coverage and stimulate infrastructure co-investment with stakeholders that is otherwise difficult to justify.

Telstra has also partnered successfully with State and Federal government and Indigenous organisations to collaborate on initiatives that build community digital capability to ensure that, once connected, communities are supported to develop the skills and confidence they need to make the most of digital connectivity. These collaborations include:

- inDigiMOB (NT) – Indigenous Remote Communications Association, Telstra, Tangentyere Council, ARDS Aboriginal Corporation and Batchelor Institute of Indigenous Tertiary Education.
- Deadly Digital Communities (Qld) – Telstra, State Library of Queensland, Indigenous Knowledge Centres.
- Tech Savvy Elders Roadshow (NSW) – Telstra, Burraga Foundation and NSW Department of Family & Community Services.
- Indigenous Digital Excellence (National) – Telstra Foundation and National Centre of Indigenous Excellence.
- Telehealth (NT) – Telstra Health, Aboriginal Medical Services Alliance NT, Central Australian Aboriginal Congress, Laynhapuy Homelands Health Service, Anyinginyi Health Aboriginal Corporation, and Sunrise Health Service.
- Australian Digital Inclusion Index (Alparra) – Telstra, Centre for Appropriate Technology, Roy Morgan Research, RMIT and Centre for Social Impact.

5.   Conclusion and Recommendations

It is our view that digital inclusion is a pathway, perhaps even a pre-condition, to economic, individual, community and environmental prosperity for Aboriginal and Torres Strait Islander Peoples. Improvements in digital inclusion will promote better outcomes in health, education and employment. As such we recommend consideration of the following recommendations:

1. That digital inclusion become a key commitment and measureable outcome in the refreshed *Closing the Gap* agenda.

2. That a holistic and targeted Indigenous Australian digital inclusion strategy be developed.

3. That research is undertaken to measure and monitor digital inclusion specifically in remote Indigenous communities – building on the Australian Digital Inclusion Index to enable national comparison.

4. That the Government invest in specific program initiatives to improve Indigenous digital inclusion and capability based on best practice examples to date:

   a. Support the roll out of culturally and language appropriate community digital capability programs such as inDigiMOB in remote Indigenous communities.

   b. Enable and support meaningful community-based jobs in remote communities to support digital engagement, literacy and support via a peer learning model.

c. Support the implementation of the Indigenous Digital Excellence Roadmap to promote innovation and Indigenous participation.

d. Support shared community Wi-Fi access to nbn satellite services, particularly for small remote Indigenous communities.

e. Conduct an audit of essential service websites and online applications such as government services (including MyGov), banking, education, employment, justice and health services, with a view to ensuring these are mobile-device and data accessible.

f. Support the IDX initiative to scale *IDX Flint* in up to 20 remote and regional communities, including the development of regional IDX strategies to improve education and employment outcomes for young Aboriginal and Torres Strait Island people.

Notes

[1] ABS, 2016 Census, QuickStats, Dwelling Internet Connection.

[2] ABS 8146.0 Household Use of Information Technology, Australia, 2016-17

[3] Vinson, T and Rawsthorne, M (2015). Dropping off the Edge: persistent communal disadvantage in Australia. Jesuit Social Services/Catholic Social Services Australia. Viewed at http://k46cs13u1432b9asz49wnhcx-wpengine.netdna-ssl.com/wp-content/uploads/0001_dote_2015.pdf 4 July 2017

[4] Australian Council of Social Services. 2016. Staying connected: the impact of digital exclusion on people living on low incomes and the community organisations that support them. http://www.acoss.org.au/wp-content/uploads/2016/01/Digital-Divide-Policy-Snapshot-2016-Final.pdf. Viewed 4 July 2017.

[5] For instance, the ABS' National Aboriginal and Torres Strait Islander Social Survey (NATSISS) shows that while 85.7% of Aboriginal people living in urban and regional areas have accessed the internet in the last 12 months, only 53.1% of those living in remote and very remote areas have done so. For daily use, this drops to 64.1% and 25.2% respectively. However, the NATSISS does not tell us which devices people are using to access the internet. These data gaps make it difficult to provide a full picture of digital inclusion for this group. Australian Bureau of Statistics (2017). *National Aboriginal and Torres Strait Islander Social Survey*, *Australia* (2014–15). Catalogue number 4714.0, Canberra.

[6] Research on Aboriginal people living in remote communities shows they overwhelmingly prefer pre-paid to post-paid billing – both for convenience, and because it fits better with cultural and social systems of exchange. However, the reasons for mobile-only use may be different for those living in urban and regional areas and more research is needed to better understand these differences. See Rennie E., Hogan, E., Gregory, R., Crouch, A., Wright, A. and Thomas, J. (2016). *Internet on the Outstation: The digital divide and remote Aboriginal communities.* Institute for Network Cultures: Amsterdam.