



Information Discovery Program

The Information Discovery Program

The Victorian Government is committed to significantly reducing the cost to investors of obtaining information on Victoria's regional, rural and remote telecommunication markets. By analysing what information is required, identifying where it is held, assembling it, and making it readily available, the Government is able to address the lack of information that potentially distorts investment outcomes.

The Government will publish a series of reports examining various elements of Victoria's rural, regional and remote telecommunications markets and opportunities. The Information Discovery Program is an initiative of the Government's *Regional Connections* policy, which has a range of programs directed at improving the environment for telecommunications investment in regional Victoria.

The information environment

There is currently a lack of information on Victoria's regional, rural and remote telecommunication markets. An understanding of how the market is segmented, and its different demand conditions, are key information requirements for investment evaluation. Intelligence on these markets is difficult and costly to obtain.

The Government can be a neutral provider of information assisting investors with their decisions. It is important to reduce the cost of information discovery and provide clear market insight as a more informed market will promote greater investment and enable better decisions by industry, investors and policy makers.

The First Report

Spend/Demand — Telecommunications in Regional and Rural Victoria

The first report from the Information Discovery Program report series is titled *Spend/Demand – Telecommunications in Regional and Rural Victoria*. This independent market review produced by ACIL Tasman Pty Ltd provides much-needed market intelligence to estimating demand and spending on telecommunications throughout Victoria.

The report

- highlights differences in telecommunications demand, unmet demand and expenditure across Victoria's regions
- identifies the particular regional characteristics driving those differences
- forecasts telecommunications demand over the next five years.

This report is a valuable tool for investors wanting to deliver the most appropriate telecommunication solutions (technology and business proposition) to the needs of Victoria's diverse regional, rural or remote locations. It promotes a focus on regional markets that have been partly ignored by telecommunication companies. Investors can use the report as a starting point to ascertain the current state and future trends of supply and demand and assist better judgments of potential investments.





Who will find the report useful?

The *Spend/Demand — Telecommunications in Regional and Rural Victoria* report will benefit all groups with an interest in rural and regional telecommunications, such as:

- the regional telecommunications industry
- telecommunications carriers and service providers
- internet service providers
- telecommunications equipment manufacturers and suppliers
- telecommunications associations
- local government
- community groups
- economic development associations
- chambers of commerce
- key industry associations
- universities.

How the report has been compiled

ACIL Tasman worked with the State Government to build a telecommunications demand and expenditure model capable of generating whole-of-state analysis and reporting. The model interfaces with a geographic information system which creates detailed telecommunication service coverage and demand maps.

The underlying data used by the model to generate the report comes from a range of sources, including the Australian Bureau of Statistics, State Government departments and private information providers. All data is the latest available at the time of production of the report.

The model is a work in progress

- It can easily be updated to incorporate new information.
- Assumptions that form the model's reference case can be easily manipulated to highlight the effect of changes in telecommunication demand curves — further research will be used to validate and recalibrate the model's assumptions.

Further developments

The *Spend/Demand — Telecommunications in Regional and Rural Victoria* report is a starting point in an ongoing effort to understand demand, unmet demand and expenditure for telecommunications in rural, regional or remote Victoria. Future developments will include:

- updating the report as new data becomes available
- improving the model's analytical capabilities
- regularly refreshing the model's underlying data
- investigating methods for industry access to the model.

The information presented in the report is not exhaustive, as the model can generate a wealth of information depending on user needs. More detailed regional segment analysis will be the subject of future reports.

The following reports will be available in mid-2004:

Whole of State Analysis
Metropolitan Melbourne
North Eastern Region
Eastern Region
Northern Region
Western Region
South Western Region.

Where can I get the report?

The report is available at
www.mmv.vic.gov.au/info_discovery

For more information

The Government is keen to gather more information and to hear from readers who wish to add their own insights to the information that has been presented. Please contact:

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