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No access or no network

BY PETER BURDON

Denying access to the proposed next generation network is the trade-off for getting it operational in the first place, as Peter Burdon discovers.

Here I am going to tell you about the Advanced Network and its promise of speeds of 10 Mbps and more – and all you’re going to do is call me a tease because, in all likelihood, you won’t be using it.

The Government is planning to spend tens of millions of dollars on a high-speed Internet link, a state-of-the-art network of ‘meet me’ points that will, in turn, be linked to international networks. Referred to by one commentator as “broadband with steroids”, the network will provide users with an infrastructure to use massive data sets and computer power – and not have to worry about the cost of interconnection. It will be affordable, very high-speed, and allow users to communicate with their counterparts around the world like they never have before.

Sounds great, doesn’t it? And so it is, but with one small catch. The Government needs help from the telcos. Therein lies a curious dilemma.

While it would be great for us all to jump on, leaving the door open to commercial use puts in jeopardy the co-operation of the industry. So, given a choice between no access and no network, the policy-makers have decided access is denied unless you’re a member of the academic community.

Science minister Pete Hodgson believes the network will strengthen New Zealand’s research and educational capabilities.

“It will keep the sector at the forefront of what is truly a global field and should also have valuable commercial spin-offs,” he explained.

That may be true. But, on the face of it, it does sound a bit like opening a new motorway to solve Auckland’s traffic problems and letting only taxis use it.



The University of Auckland Kate Edger Student Commons

Hodgson cites three factors as to why the network will be restricted to the research and education community.

Firstly, the majority of users of very large capacity are generally going to be organisations of this type, and they need the ability to link with each other and their counterparts offshore. Secondly, as most of the institutions involved are publicly-owned, the Government is looking to promote research among its own public sector. And thirdly, while the network is primarily focused on universities and CRIs, the Government believes it will benefit business by having spin-offs in other parts of the economy.

Advanced Network implementation manager Charles Jarvie says commercial ventures will be able to work on specific projects with the 127 University, Wananga, Polytechnic and Crown Research sites that are likely to be connected to the network.

“But this will be confined to the specific nature of the relationship between themselves and a legitimate user, rather than allowing access to all the capacity,” he added.

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But are these good enough reasons for excluding the business community from using the network? Particularly when you consider we’re talking about limiting access to something that taxpayer money will contribute towards. Although the amount of Government funding is yet to be determined, it is likely to pay for all the set-up costs and possibly some of its operation.

Sadly, other motives are almost certainly at play. The effect the network would have on telcos, and more importantly, the threat of them withdrawing their support, is most likely the real reason behind the decision.

Next Generation Internet New Zealand (NGI-NZ) chairman Neil James claims that setting up the network will be a great deal cheaper if access is granted to use fibre-optic cable that already exists.

“But the question is whether we can get access to the fibre that is in telco or other hands,” he said. “If for any reason they don’t want to provide access the way we want it, we will have to consider putting our own infrastructure in [at a far greater expense].”

As a stand-alone research and education network, the telcos are interested in becoming involved and making their infrastructure available. TelstraClear’s Rob Old says the company has a sophisticated network with the sorts of technology that could be employed in delivering the advanced network.

“TelstraClear is well placed to deliver the requirements for the network and we see it as a major opportunity.”

Telecom is equally enthusiastic.

“Telecom believes that with clear guidelines on the future direction of the network, the not-for-profit research, education and innovation communities, in collaboration with the telecommunications

sector, can deliver the Government’s desired outcomes,” said Telecom’s Stephen Crombie.

He went on to say that defining the membership and conditions of use will be critical in determining the willingness of telecommunications carriers to take part.

In other words, as long as the network does not impact on Telecom’s profits, as business access could do, the company will remain enthusiastic and co-operative.

Jarvie admitted that the restrictions will be in place because the network is not intended to be another carrier or compete with established commercial operations.

“It’s providing for things that can’t adequately be done at the moment,” he continued, “so it isn’t appropriate that it stand in the market to offer services.”

So, there we are. We’re not going to tread on Telecom’s and TelstraClear’s toes. That’s certainly reassuring to know.

The fact is that if co-operation was not offered by an organisation with existing cable, the Government would have to spend a small fortune building its own network. And those relying on a protesting telco for access to the nearest ‘meet me’ point once the network was up and running could face inflated prices.

This concern at who will get access was experienced in Canada when the CANARIE network was set up. (the Advanced Network will be very similar.)

CANARIE spokesman Bill St Arnaud believes that while the network is only available for research and education purposes, telecommunications suppliers were very nervous about connecting commercial organisations.

“But they gradually realised that we have not become a threat to them, because we do not carry commercial Internet services. And this is what commercial organisations require as a first priority.”

As for AARNet, the Australian equivalent, George McLaughlin contends that as government funding is involved, and there is generally a desire to have a vibrant commercial sector, research and education networks do not generally provide services beyond their core constituencies.

Obviously if businesses were given access to an advanced network at a low, subsidised price, they would try to use it as much as possible in place of their current arrangements. This would have a huge negative impact on the telecommunications industry and the national economy. But what if it was available at a higher market price? Then it would only be used when needed and not impact heavily on existing commercial networks.

Surely, as there is no other advanced network available, this option should be made available? If nothing else, revenue from this usage could help the Government to recoup its investment.

Alas, it appears the telcos would not accept this, regardless. And because of their importance in getting the Advanced Network up and running, it will remain the domain of the research and education community alone. This is despite space being available, the opportunity for the Government to recoup its investment and the likelihood that, if priced correctly, it would not be overrun by businesses wanting access.

There’s no denying that the network will be a major benefit to the research and education community. It’s going to happen. We can only hope it will highlight the need for more bandwidth for ordinary users, not just the research community.

In fact, NGI-NZ’s James remains optimistic that it will act as a catalyst for change in the industry in the same way that a number of US states where research and education networks have looked beyond their initial brief to bring in schools and health organisations.

That is, of course, if the telcos don’t mind. ■



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