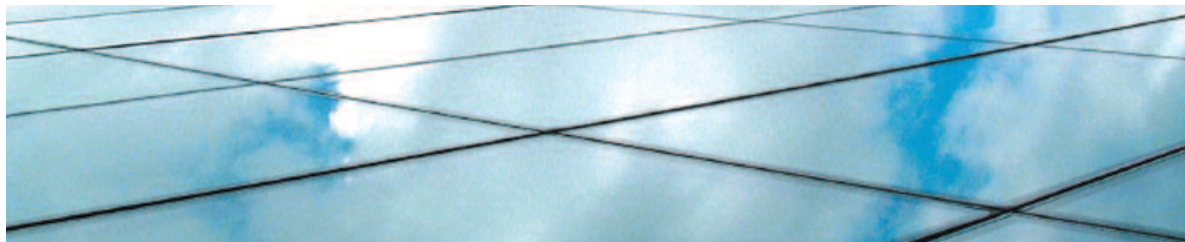


longview

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EDITORIAL
OPINION
REVIEWS



WELCOME

The editorial for this edition was already written by the time Laurence Springborg made his statement on 3rd March about a 3% saving across government to funnel more into front-line services. But what a timely announcement it was in light of this month's topic.

Unfortunately the cuts he indicated will include technology amounting to a \$40 million annual reduction for the national and international industry suppliers that service Queensland Government. Somewhere along the line, someone forgot that "front-line" services today are almost entirely underpinned by technology.

For too long Australia's public policy answer to ICT has been to cut costs and save our way to productivity gains, invest in "research and development", encourage innovation and many other mantras. Those approaches have not moved us forward as a technology nation and it is time for a change.

In response to the absence of policy from the political sphere we have put together an ICT investment policy around SaaS that recognises the true nature of ICT in this part of the world; as a fundamental driver to support and sustain a services and knowledge based economy.

Finally, please mark your calendars for the 19th March when we will be unveiling our updated web presence. We welcome your feedback as you review the changes. Until then, we'll see you in the market or next month in *Longview*, or just follow us on Twitter for regular sound bites throughout the month (@thenakedchief and @shigginski).



Editorial

Federal Government purchases 2.5 million CRM SaaS licenses to save us from the Global Economic Crisis

It will be a great but predictable shame that this decade of immense prosperity will be remembered as the decade of massive industry bailouts. And given that recessions are typically times of cleanout and renewal, the "save the dying" approach is at odds with long-term success. Why not let natural contest, merger and acquisition activity take its course?

Over the decades billions of dollars have been thrown at industries such as car-making, which in Australia was recently awarded a \$6 billion rescue package. In America they are still unable to come to terms with the fact that buy-American campaigns and bailouts cannot hold back the tide of a new manufacturing imperialism from North Asia. If the biggest manufacturers can't make it work, then at what point do we realise that as a nation Australia just isn't a globally competitive manufacturer?

By all means spend a few hundred million on re-skilling the workforce. Afterall, at 75,000 the national car industry is only about 30% of the conservative estimates of the entire ICT workforce. Why then continue to support the automotive industry with huge sums of cash at the expense of other productivity driving industries? If you look at commodity prices it's not even supporting Australia's steel industry. The same can be said for general and wide scale manufacturing. The fact is that Australia is a services economy and mega bailouts that deny that position are an irresponsible use of taxes.

Yet with a perpetuating myopic view of technology as a piece of tin connected by cables, our governments simply don't know how to make ICT part of the national infrastructure. The cold hard fact is that politics and elections are never won and lost on platforms of technology policy.

The irony of course is that they are won with the exuberant use of new-age technology. *Kevin07* loved technology and the *Yes We Can* Obama campaign loved technology. Five days into the Queensland state election and it's obvious that both the *Anna 4 Queensland*, and the *Bring Back the Borg* campaigns also liked technology if you can call YouTube and Facebook "technology" in the true industry sustaining investment sense.

While computers in schools and national broadband

issues certainly played highly for both parties in the 2007 Australian federal election, there really is very little in the way of precedence for strong ICT policies in campaigning. A reform in this area is required and now is the perfect time to do it. In this instance we'll use the technology of Customer Relationship Management as the example.

Economically speaking we've been here before. Not that long ago actually. While it might not have been quite as bad, we sure thought so at the time when the dot-com bubble burst and the Australian dollar languished around 50c to the US dollar. Rather than wait it out, this should be a period of ferocious business activity.

There are things that businesses can do and there are things that business can and must change, but a lack of confidence, appropriate training and sales management systems are real contributors to perpetuating economic uncertainty. The result is that people, whether they be salespeople or not, have a natural inclination to back away from discussions with clients when in fact they should charge ahead. The result is that confidence wanes and economies bounce.

So as there are things that Australian businesses should and must do, so too are there things that the Australian government can be doing to better leverage ICT as a productivity enabler in these tough economic conditions. And it is not slashing budgets and cutting projects, though these are natural occurrences in such times. But neither of those approaches can be considered true leadership or management par excellence. It is what else you do that separates success from failure (or simply lethargy).

Longhaus would estimate that approximately 90% of Australia's 70,000 SMEs (19-199 employees) and most of Australia's Micro businesses (5-19 employees) do not have Customer Relationship Management software (CRM). With the actual number of large enterprise not using CRM close to 60%, these numbers are very conservative. Yet these small companies equate for approximately 15% of Australia's GDP with the other 5,000 large-to-enterprise companies accounting for the rest.

The companies that don't have these systems in place lack the critical insights into their businesses. They are less attuned to where they need to focus their activity to ensure business continuity and sustainability. The true lead indicators of the sales and activities that will underpin the next financial period specific to their businesses are unstructured.

A stalling economy means that sales opportunities for all businesses will start to shift from closing this week and this month, to closing later this quarter and into next quarter, and the next. The knock-on effect for many of Australia's businesses will be crippling for firms that without the right technology are already flying blind.

So here are two innovative policies government should deploy when they are next trying to figure out how to spend \$42 billion (or even next time they consider giving hand-outs to the car industry)

Crisis Busting Policy Initiative 1: Provide grants to teach businesses to sell in bad economic times (make it Australia's equivalent of National Service); then support it with further grants for CRM SaaS licensing. Old government would say to industry "here's \$100 million, go and buy some computers", when in fact all that is required is to say "we need some adoption of some excellent technology, here's \$100 million now go and buy 2.5 million SaaS seat licences


for Australian businesses to better manage their way through this crisis". The latter approach equates to only 0.2% of the Rudd government's last stimulus package.

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Crisis Busting Policy Initiative 2: SaaS-enable key Australian software icons to provide more local choice and cash-flow relief for Australian businesses. For example, instead of setting up another CRC, fund MYOB a grant to enable a proper multi-tenanted service offering (i.e. get their SaaS strategy sorted out once and for all). Within the studies Longhaus have conducted, various solutions of MYOB are currently used by approximately 85% of the SME market in Australia (who use a financial management system), and some interaction within 60% of large enterprises.

When it all boils down, surviving a recession is as much about preparing for the next upswing as it is about keeping the lights on. They are not mutually exclusive activities or drivers. At the moment we live in a nation of handouts and it will only perpetuate the gloom.

A real opportunity exists for the government to support Australian business through technology adoption. That means spending. But not spending to prolong a culture of handouts for consumer technology purch-

ases, but rather to make businesses stronger through building a rising level of economic immunity. 

Fighting Fires & Stemming Floods – The Right to Information

by Sam Higgins



The stories of tragedy and triumph emerging from the Victorian bushfires and North Queensland floods have dominated the newspapers, televisions and PC monitors of the nation for the last few weeks. Tales of personal loss that were viewed with empathy as the horror unfolded have now given way to consternation regarding rhetoric of organisational inaction by various governments and their agencies.

The first such stories to emerge surrounded delays in the implementation of a Community Information and Warning System. This was a system, having been trialled for flooding, which could have been extended to bushfire warnings (*Early bushfire alert cover-up exposed*, Australian IT, 13th February 2009).

But it was another of these stories that grabbed our attention as being most relevant to future solutions and involved the limitations of the Victorian Government's capability to provide Google with access to essential data about fires on crown land. (*Vic Govt limited Google's bushfire map*, ZDNet Australia, 13th February 2009).

In the article it was claimed that Crown copyright and Commonwealth data protection provisions needed to be overhauled. While on the face of it this argument may appear to involve a simple solution, those involved in copyright know that this is in fact not the case. On the surface Google's comments seem inconsistent with its own copyright behaviour, and certainly at odds with the behaviour of the open source community. The correct argument is not one of copyright or data protection at all.

Rather it is about access mechanisms and default licensing of data under copyright that requires improvement.

Copyright is about the management of an owner's right to protect and choose to exploit something they have created, including information repositories. These rights exist even when a copyright holder chooses to licence their work either commercially or for free via some form of public licence. The US Federal Court of Appeals ruling in August 2008 between Robert Jacobsen and KAM Industries (see www.cafc.uscourts.gov/opinions/08-1001.pdf) recently reinforced this notion in the open source community by stating:

Traditionally, copyright owners sold their copyrighted material in exchange for money. The lack of money changing hands in open source licensing should not be presumed to mean that there is no economic consideration... There are substantial benefits, including economic benefits, to the creation and distribution of copyrighted works under public licenses that range far beyond traditional license royalties. For example, program creators may generate market share for their programs by providing certain components free of charge. Similarly, a programmer or company may increase its national or international reputation by incubating open source projects. Improvement to a product can come rapidly and free of charge from an expert not even known to the copyright holder.

Like the open source community governments all over the world are facing the challenge of separating their ownership rights from their attitude to the access and release of information. Certainly the inability of the Victorian government to release information to Google about fires burning on public land illustrates a situation where the challenge has not been addressed.

In Australia the Queensland State Government is taking a lead in this arena through two initiatives outlined below that are designed to first and foremost maintain the Crown's copyright, but simultaneously ensuring information is licensed appropriately to allow ease and equity of access:

- The Right to Information & Information Privacy initiative represents the culmination of the Queensland Government's response to the Solomon review into the Freedom of Information Act. Currently in draft form the Right to Information Bill and associated Information Privacy Bill aim to increase the accessibility to information resources held by government and both draft documents specifically recognise that "information under the government's control is a public resource", and that "right to information legislation is only one [1] of a number of measures that should be adopted by government to increase the flow of information that the government controls to the community". This approach has led to the second of the Queensland Government's initiatives.
- Government Information Licensing Framework (GILF) project is currently being trialled by the Office of Economic and Statistical Research (OESR) in Queensland

Treasury and provides a standard set of creative commons based licences specifically designed for government information products. The intent is that these standardised licences can be applied to existing government information sets and make it easier to understand what uses can be made of public sector copyright information inclusive of viewing, copying, and making new products.

Neither the proposed Right to Information regime nor GILF attempt to change the nature of Crown copyright, but instead focus on changing the stance the government has to one where the information is routinely made available under an appropriate licensing arrangement. Thereby recognising that information access schemes should not compromise the government's ability to commercially exploit data if appropriate to recover costs or fund ongoing service delivery. This is a positive step in the right direction and one that other jurisdictions should watch closely over the coming months.

Ultimately when the true nature of copyright is separated from licensing in this way it reveals how Google's argument and rhetoric requires clarification. Sadly, even with these facts laid out, a stance of default public licensing for the disclosure of government copyright information would have been of immense value to those threatened by the Victorian bushfires. In the tragic circumstances that unfolded on Black Saturday no one could deny that as the fires raged across public land towards their homes, those residents had a clear right to information. [f](#)

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