Why WiFi?
The provision of public WiFi in Australia

A panel discussion presented by the RMIT Centre for Communication, Politics and Culture
What are some of the key issues of investing in public WiFi?

Introduction
– Chris Hudson (RMIT Centre for Communication, Politics and Culture)

Panel Presentations
– Ian McShane (RMIT Centre for Urban Research)
– Colin Fairweather (City of Melbourne)
– Jason Potts (RMIT School of Economics, Finance and Marketing)
– Mark Gregory (RMIT School of Electrical and Computer Engineering)
– Julian Thomas (Swinburne Institute for Social Research)

Discussion

Morning Tea (Level 7 atrium cafe)
Why Wi-Fi?: Setting the Scene

Ian McShane
The difference

ACT GREENS
2012 ELECTION INITIATIVE
Free public Wi-Fi trial

ACT GREENS WILL...

Commit $500,000 for a one year trial of:

- Free Wi-Fi on a selection of ACTION buses
- Free Wi-Fi hotspots at Canberra's bus interchanges
- Free public Wi-Fi hotspots around Civic with the potential to expand to other town centres.

"Wi-Fi where you need it, when you need it."

Vote [1]
David Haidon

Haidon4Myrrong

Vote [1], David Haidon, Myrrong Ward, Monere Valley Council Elections

Vote [1] - David Haidon, Myrrong, Ward, Monere Valley Council Elections

WA Labor to equip METRONET with free Wi-Fi to help tackle congestion crisis

Date: 15 January 2013

VOTE
GARY SINGER & JOHN SO
FOR LORD MAYOR AND DEPUTY LORD MAYOR

Melbourne LIVING
Low Rates
Safe Streets
Revitalise Melbourne

VOTE 1
GARY SINGER & JOHN SO
FOR LORD MAYOR AND DEPUTY LORD MAYOR

Melbourne LIVING
Low Rates
Safe Streets
Revitalise Melbourne

Gary Singer
Lord Mayor
John So
Deputy Lord Mayor

Make WA Labor your party for a better future

WA Labor to equip METRONET with free Wi-Fi to help tackle congestion crisis

Date: 15 January 2013

Lisa Scaffidi
@LisaScaffidi

Launching our free wi-fi hot spot in Murray St Mall today! Hope you like it & if so tell us so we can create more!
pic.twitter.com/ILQKom6f
Cairns Community WiFi

For more than 2 million people who visit the Cairns region every year, showing off the holiday shots on Facebook is both free and fast...

Australia’s first beach to offer free Wi-Fi - beautiful Bondi, of course!

The iconic Bondi Beach is well-known worldwide for its golden sand, blue ocean and stretches of stunning coastal scenery, and now visitors to Bondi can enjoy free Wi-Fi.

Waverley Council is pleased to announce that Bondi will be the first Australian beach to offer a free Wi-Fi service, which will be launched on Monday, 26 November just in time for the ‘My Bondi Summer’ safety campaign.

Mayor of Waverley Sally Gette said that Council recognising the growing importance of technology in our residents and visitors’ lives.

"With about two million visitors flocking to Bondi Beach each year, we want to be able to offer the best possible beach experience that we can,” Mayor Gette said.

"We are extremely proud to be the first beach in Australia to be able to offer this service to our beach-goers. The availability of Wi-Fi will not only improve the Bondi experience, but will improve Council’s connectivity with our community. It is also a great opportunity for local businesses to promote themselves."

The Wi-Fi service is being offered at no cost to Council on a trial basis by Universal Networks Technologies. While beach-goers are enjoying their free Wi-Fi, Council is encouraging that they check out our Mobile Recharge zones from Monday 26 November for summer and safety tips is as old as the ocean.

"My Bondi Summer is your perfect summer guide to enjoying our beaches responsibly and safely. There are great tips and hints about how to stay a dangerous rip and swim safely as well as guides to Bondi’s best markets, shopping and places to party safely."

Tourism Northern Territory rolls out free Wi-Fi service in Alice Springs

Visitors to Todd Mall can access the Internet for three hours with a maximum 200MB download.

Alice Springs visitors and locals will be able to access three hours of free Wi-Fi every day following the rollout of a service by Tourism Northern Territory (TNT) at the city’s Todd Mall.

A maximum of 200 megabytes (MB) download will be available from any Wi-Fi enabled device.

According to TNT Minister for Tourism and Major Events Matt Conlan, more than 50 per cent of domestic visitors use the Internet to book tours.

The service will include a ‘Welcome to Alice Springs’ homepage that links users to information about Central Australian destinations, tours and accommodation.

The Wi-Fi network cost $442,077 which is being met within Tourism NT’s budget. Alice Springs Town Council is funding half the operational costs over the first two years.

The NT government also provides free Wi-Fi services on public buses in Darwin and Alice Springs.

Tourism NT has gone on a social media push via Twitter, Pinterest,
Resisting Municipal Broadband is Futile, as Deployments Set to Double in 2006, Says Visiongain Report

There are over 400 cities worldwide planning to deploy municipal broadband networks and the number will double in 2006, making community broadband initiatives a very real and significant trend. That is the finding of the latest report, "Municipal Broadband Networks: Market Impact and Implications, 2006-2011", published by industry research firm visiongain.

San Francisco, CA; London, UK (PRWEB)
January 29, 2006

There are over 400 cities worldwide planning to deploy municipal broadband networks and the number will double in 2006, making community broadband initiatives a very real and significant trend. That is the finding of the latest report, "Municipal Broadband Networks: Market Impact and Implications, 2006-2011", published by industry research firm visiongain.

Despite legal opposition and intense lobbying from incumbent telcos and cable companies, municipal broadband is coming and is here to stay. As of Q1 2006, there are over 100 city and regional wireless broadband networks operational worldwide, more than 40 of which are in the US.

Small town rural deployments were the beginning of the wave, but the tide is now embracing large urban megacities. New York, San Francisco, Denver and Paris are among the major cities planning wide area
In preparation for April 23rd's Start-up City Conference,

NYCwireless is a non-profit organization that advocates and enables the growth of free, public wireless Internet access in parks, public spaces, and affordable housing developments.

In preparation for April 23rd's Start-up City Conference, ways that fast, reliable Internet service would help business that's worth reposing you can read more at his blog.
### Broadband infrastructure types and providers

<table>
<thead>
<tr>
<th>Service provider</th>
<th>Service type</th>
<th>Mobile (and Nomadic)</th>
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<tbody>
<tr>
<td><strong>Fixed</strong></td>
<td></td>
<td></td>
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<tr>
<td>Commercial (For-Profit)</td>
<td>- DSL</td>
<td>- Internet cafés</td>
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<td></td>
<td>- Cable</td>
<td>- Fee for service wireless hotspots</td>
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<tr>
<td></td>
<td>- Fibre-to-the-home</td>
<td>- Subscription-based 3G/4G/WiMax services</td>
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<tr>
<td><strong>Mobile (and Nomadic)</strong></td>
<td></td>
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<tr>
<td>Public Sector/Government</td>
<td>- Municipal wireless projects</td>
<td>- Municipal wireless projects serving public places</td>
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<td>serving residences</td>
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<td></td>
<td>- Municipal/utility FTTH projects</td>
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<td></td>
<td>- Community access sites</td>
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<td></td>
<td>(eg. libraries)</td>
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<tr>
<td>User/Citizen</td>
<td>- Individuals’ open wireless</td>
<td>- Community wireless projects serving public places</td>
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<td></td>
<td>networks</td>
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<td></td>
<td>- Community wireless projects</td>
<td>- Federated wireless sharing (e.g. FON)</td>
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<tr>
<td></td>
<td>serving residences</td>
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<td></td>
<td>- User-owned FTTH networks</td>
<td>- Sharing of 3G/4G/WiMax services</td>
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Key determinants of municipal investment

- telecommunications markets and regulatory policies
- traditions of public intervention
- role of municipalities in urban planning and utility provision
Recent investment drivers

• concerns over NBN rollout
• Wi-Fi extends existing municipal services
• pull (consumer demand) and push (commercial suppliers) factors
• Wi-Fi as a municipal election campaign promise
• economic regeneration of regional towns
• urban competitiveness
• local champions and community ICT capacity
10 things you need to know about city wi-fi
…and why we’re doing a trial

Colin Fairweather
10 things you need to know about city wi-fi

#1

Don’t get confused by the hype

• ICT vendors (and associated media) are great at creating a need for their products
10 things you need to know about city wi-fi

#2

There’s no such thing as free wi-fi
Someone pays!
10 things you need to know about city wi-fi

#3

It has to work (managed like any asset)

– Bad wi-fi is bad for brand
  • Is no wi-fi worse??
10 things you need to know about city wi-fi

#4

We have to manage expectations

– The better the service offering, the better the user’s experience
  • The better the service offering, the higher the cost
10 things you need to know about city wi-fi

#5

Who do you call?

– The better the support model, the better the user’s experience
  • The better the support model, the higher the cost
10 things you need to know about city wi-fi

#6

Wi-fi is linked to worthy causes

- Connecting Tourists to the city
- Supporting the digitally disadvantaged
- Economic development
- Space activation
- Supporting municipal infrastructure e.g. sensors, lighting
- Officer efficiency
- Positive promotion of the city
#7

However, there’s little hard evidence linking wi-fi to an ROI
10 things you need to know about city wi-fi

#8

There are many models

- Supporting business to build capability
- Piggy back (on a municipal service)
- Advertising model (in many forms)
- Free with municipal service (e.g. Library)
- User pays for premium experience
10 things you need to know about city wi-fi

#9

Good governance still applies
10 things you need to know about city wi-fi

#10

If we do it, we should do it well!

– A trial of wi-fi, will give us evidence to inform next steps
4 things economists hate about free public wifi

And then something they quite like

Jason Potts, School of Economics, Finance and Marketing, RMIT University
#1 Basic economist objection to ‘free’ wifi

Capitalization in fixed resource

– Flows through to property values
– Transfer from rate-payers to landlords
– No net benefit to wifi users
– Akin to improving a public school

• Unintended consequence: drives up rents
#2 basic objection

there is no market failure

• No information asymmetry
• No market power/exclusion
• Where not supplied, unprofitable.

Consequence:

public provision is **PURE CROWDING OUT**

Destroys private wealth.
Harms consumers.
#3 basic objection

Unfair competition to existing providers

- See #2. Are their barriers to entry?

- Risk to ratepayers if things go wrong
  - unlike entrance of another private provider, harming only shareholders
#4 basic objection

Public good doesn’t necessarily mean public provision

• It can just mean public pays

• E.g. Vouchers...
economic models of public wifi

1. Natural monopoly
2. Quasi-Public Good
3. Bundled / Standards
4. Club good
5. Demand uncertainty/discovery
5 uncertainty of demand

• the market failure is in figuring out entrepreneurial opportunities, market demand, business models, etc. that these are niche and contingent and different in different places,

• in a competitive market, firms do not have the rents (supernormal profits) to explore and discover where these opportunities lie.
  — Why, because when they find them they cannot protect them from being copied or from imitative market entry.
  — There is a role for public sector as experimental test bed in discovering these opportunities.

• This idea has been advanced by Dani Rodrik as a reinvention of industry policy.
  — Bakhshi, Freeman & Potts 2012 'state of uncertainty'.

• This is about govt acting as market maker, discovering where opportunities lie, not so much as public sector businesses that are then privatised, but as the creation of market information about entrepreneurial opportunities as a public good.
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For ongoing updates on the research:
http://publicwifiaustralia.wordpress.com