

Policy points to the polls

The Prime Minister is talking innovation; the Opposition is talking telecoms

The cynics were calling it 'Voting Nation'.

After the One Nation economic statement before the last election, the Working Nation employment and training statement and the Creative Nation cultural policy statement, this latest package from the Keating Government, delivered in the lead-up to the federal election due in the first half of 1996, could have only one name, and one purpose.

In fact, the government called it an 'Innovation Statement'. It incorporated a number of measures in information technology which were at one stage planned as a separate 'Information Statement'.

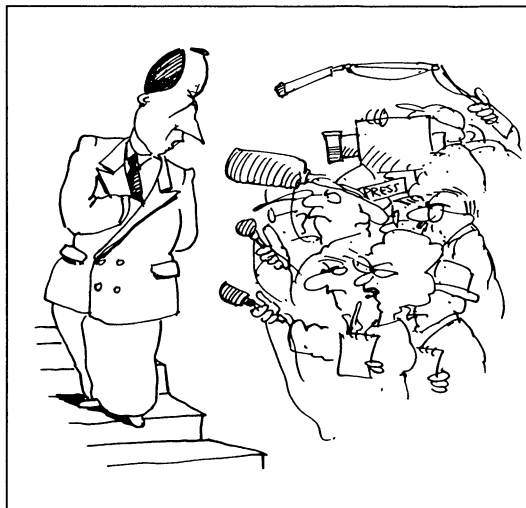
Information technology, said the Prime Minister will be 'probably the dominant force for change in our lives in coming years' and 'is, itself, a key to innovation across the range of industry sectors'.

The statement contains measures:

- to assist the generation of new ideas, such as the extension of the 150% research and development tax concession and the \$40 million-a-year Competitive Grants Scheme for industry R and D;
- to encourage the provision of finance for business innovation and the commercialisation of scientific research, including allowing banks to provide equity capital to clients to fund business expansions, stronger intellectual property laws 'to better protect ideas developed in Australia' and an 'Innovation Culture' program to raise community awareness of the importance of science, engineering,

technology and enterprise to Australia's social and economic future;

- to expand international science and technology links and co-operation; and
- to stimulate innovation in the work place, such as management initiatives.



The information technology initiatives includes an extension of the Community Information Network (CIN) to all states and territories by the end of 1996, a national indigenous radio and news service, an extension of the Tanami network and \$10 million to digitise and make available on-line material from Australia's national cultural collections.

The Opposition dismissed the statement immediately as a 'soggy mixture of pious platitudes and belated promises'. 'Once again,' said Communications and the Arts spokesperson Richard Alston, 'Labor has shown that it just can't cut it in the Information Age'.

Keating had ripped off the idea for the digitisation of national cultural resources from the Coalition's own

1994 *Cultural Frontier* document and he had failed to confront 'the two crucial commercial issues facing the communications industry over the next twelve months - copyright reform and access to fast and cheap digital telecommunications'.

With the government's hand on telecommunications reform played in August with the announcement of Michael Lee's 99 principles, Opposition leader John Howard had taken the chance to present a five point plan for telecommunications to the National Farmers Federation's annual conference, a few weeks before the Innovation Statement.

It gave centre-stage to speeding up the availability of digital services through Telstra's network and reducing their cost. The digitisation of Telstra's exchanges would be brought forward from 2000 to 1997, 'fast, digital computer quality services' would need to be made available immediately to all customers linked to digital exchanges and the price of such services would be brought within Telstra's price caps. Further, different technical options would be explored to make similar services available to remote customers.

Curiously, where the government has placed its faith in competition to deliver new infrastructure, new services and lower prices, the Opposition indicated it would be prepared to weigh in with its sole shareholder's power, to tell Telstra how to spend its money. Where Labor will stand back and umpire the scramble into facilities-based competition, the Coalition will pick some winners before privatising the former monopolist and despatching it into the market place once and for all. □

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