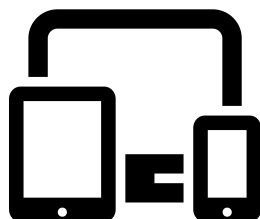


The Digital Economy



Submission by Australian Red Cross

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Foreword

Australian Red Cross recognises that digital technologies are transforming the world and how people live and work. The vision of Australian Red Cross is to ensure human dignity, peace, safety and well-being for all, and our vision for the digital economy is to harness the power and transformative role of digital technologies to serve humanity for the better.

Scientific and technological innovation is blurring the lines between the physical, digital, and biological spheres. Data analytics, robotics, artificial intelligence, cloud connectivity and the Internet of Things are examples of transformative technologies that can positively impact society's capacity to address humanitarian and development needs.

The UN's 2030 Agenda for Sustainable Development recognises digital technologies as vital to achieving the Sustainable Development Goals (SDGs) including ending poverty, access to education, achieving gender equality and social inclusion, promoting economic growth, improving health, and supporting innovation.

Digital technologies enable access to education, information, and a range of services, as well as participation in online communities and social connection. However these benefits come with risks and we need to build in protections such as privacy, security, neutrality and online safety.

There are also risks that the benefits of new technologies won't be felt by all and the digital divide will create further inequality which could impede the growth of Australia's digital economy. In 2017, we believe the 'digital divide' has become even more entrenched. Three million Australians are still not online and at risk of being left behind, further reinforcing social and economic disadvantage.

Internationally, progress on the digital economy is uneven. According to the OECD Digital Economy Outlook 2017¹, broad access to digital opportunities and helping those lagging behind to catch up would increase the benefits of digital transformation.

Given the speed of technological change, we recommend governance arrangements where business, civil society, individuals and the wider public work together to ensure that the strategy is inclusive, ethical and versatile. The UK Government's proposed 'Digital Charter' is an example of such an approach².

We believe that a thoughtful approach to the digital economy would be ground breaking in terms of creating a society in which everyone participates, has opportunity and is included.

¹ OECD, *OECD Digital Economy outlook 2017*, OECD Publishing, Paris, 2017

² M. Hancock, 'Future of the Internet', *Department for Digital, Culture, Media & Sport, UK Government*, 13 September 2017, <https://www.gov.uk/government/speeches/the-future-of-the-internet> (accessed 30/11/17)

To achieve this, we believe there are four key pre-requisites for a thriving digital economy:

- Access
- Affordability
- Individual capability, and
- Safety

We recommend an integrated whole-of-government approach to the digital trends impacting Australia's economy. These don't entirely rest with industry policy, telecommunications programs, broadband rollout or privacy and copyright policies. Government portfolios with responsibility for social programs or for example, Indigenous programs, should have a role in the strategy.

It is also essential to maintain an active role in the United Nations and other international organisations to keep step with the transformative change across societies and that could surpass regulators' ability to keep up and ensure these changes remain within the ethical and societal norms.

We welcome consultations on Australia's digital economy strategy and have addressed the broad themes of the consultation paper below. The strategy is a first step in an ongoing conversation and we look forward to further engagement as the strategy evolves.

Sincerely,

A handwritten signature in black ink, appearing to read 'Judy Slatyer', followed by a small dot.

Judy Slatyer
Chief Executive Officer
AUSTRALIAN RED CROSS

About the Red Cross, Red Crescent Movement

Red Cross mobilises the power of humanity – the powerful action of people helping people that can make a real difference to those who are vulnerable.

We save lives. We walk alongside and support people who are going through tough times. We support people before and after disasters strike or who are dislocated from daily life. We work to alleviate suffering during wars and conflict. We promote humanitarian laws and values.

We are guided by the Humanitarian Principles – humanity, neutrality, impartiality and independence adopted and reaffirmed in UN General Assembly Resolutions, and other humanitarian codes and standards, since 1991.

We are around 5,500 staff, almost 20,000 volunteers, 17,000 members and 450,000 blood donors; working from more than 465 sites around the country and in 14 countries in the Pacific.

We partner with International Red Cross and Red Crescent National Societies in areas as diverse as health, migration and disaster risk management. Together we are part of a global movement of humanitarian organisations in 190 countries.

In Australia we are constituted by Royal Charter as ‘a voluntary aid society, auxiliary to the public authorities in the humanitarian field.’ As a National Society within the International Red Cross and Red Crescent Movement, Australian Red Cross is mandated to support the public authorities in their humanitarian work. This partnership balances reciprocal responsibilities and mutual benefits; it gives the National Society and its government scope to negotiate the areas in which the Red Cross or Red Crescent Society will support, supplement or substitute the delivery of public humanitarian services, which are principally the responsibility of Government, to best serve the needs of the population.

Recommendations

1. Ensure that four key pre-requisites to address digital inclusion and foster a thriving and inclusive digital economy are central to the strategy - access, affordability, individual capability and safety - by establishing:
 - a. infrastructure programs to ensure digital connectivity across the nation
 - b. affordable and universal access through a Universal Service Obligation (USO) to provide minimum standard broadband and voice services to all premises in Australia, and ensure the internet is affordable and treated as an essential utility like electricity or gas
 - c. programs to build skills and confidence so everyone can flourish in the digital economy

- d. transitional arrangements to enable people to transition to new sectors and roles as traditional sectors are disrupted or eliminated
 - e. an agile and holistic regulatory framework to keep step with rapid technological and societal change.
2. Establish a governance forum where business, civil society, individuals and the wider public develop an agreed set of principles for operating in a digital world.
3. Enable governments, business and the community sector to work together to address the digital divide and ensure that digital inclusion is central to Australia's digital economy strategy.
4. Develop international standards and governance with the United Nations and other international organisations given the digital economy is borderless.

Digital technologies are transforming the role of civil societies – and others

Delivering social impact at scale

Digital technology is transforming the way in which Australian Red Cross delivers social impact – along with others in the sector. We have an ambitious strategy that includes:

- Mobilising 2.5 million Australians to take humanitarian action in their communities
- Equipping 3 million Australians to be prepared for and recover from disasters
- Connecting 500,000 Australians to community supports to overcome their deep social exclusion
- Meeting the humanitarian needs of all migrants in transition

Delivering impact at this scale will only be possible, in part, due to the role that digital technologies and connectivity can play – and this is already changing the way we work. This includes increased staff mobility to connect with clients where face-to-face interactions would be cost prohibitive, providing digital tools for Australians to connect with others less fortunate and provide support and coaching, new measures in engagement and fundraising through social media, as well as developing digital applications for disaster preparedness and First Aid.

CASE STUDY: The 'Get Prepared' app

Get Prepared is a simple, easy to use app that assists users to access information and tools to complete an emergency plan in order to prepare for and cope with disasters and unexpected events. It builds on the Australian Red Cross [RediPlan](#) and it was created [in partnership with IAG](#), Australia's largest general insurer. Get prepared has three main components;

- It helps the customers to establish a quick and easy network of support with their three key support contacts
- The app assists in making a plan using easy to understand checklists across a range of preparedness actions
- And it allows the user to save their emergency plan as a PDF to print and share with others.

CASE STUDY: 'In Work Australia'

[In Work Australia](#) is part of Australian Red Cross' social cohesion initiative, delivered in partnership with the Department of Social Services. It is a new way of using Facebook and LinkedIn to connect new migrants with an online community of local supporters of all backgrounds with experience and practical tips to share. This network can help recently arrived migrants find and enjoy work in Australia as finding a job is often one of the toughest challenges they face. Finding work can be even harder when employers require previous Australian experience and jobs are found through contacts rather than advertisements. It can also be tough to remain in the work force or negotiate better conditions, especially when still learning English and with no experience of Australian workplace culture.

Better forecasting and future-proofing

Big data, machine learning and other technological advancements can help forecast disasters and crises and provide stronger sources for analysis and insight on a range of issues. To better connect with our communities and people requires a constant process of horizon scanning, experimentation and use of new technologies and approaches.

Better communication tools, artificial intelligence and data could deliver reliable predictive analytics and enable forecast-based action, real time monitoring and new insights, improving our international

Better communication tools, artificial intelligence and data could deliver reliable predictive analytics and enable forecast based action, real time monitoring and new insights, improving our international disaster responses. Advances in machine learning and robotics could supplement our traditional staffing and volunteer approaches. The use of drones and 3D printing in the field could transform our work in conflict and disaster settings potentially mitigating risks to humanitarian workers and beneficiaries.

New technologies and an ability to connect to rural and regional areas drastically improves our ability to measure our outcomes and provide a more robust evidence base about the impact we are having in these communities. This is incredibly attractive to prospective new investors who need this evidence to take on a financial risk to support programs that provide social and economic benefits to communities across the country. Adequate internet access is critical to enable this to occur.

CASE STUDY: [Intelligent AID](#)

Australian Red Cross is implementing a new way of working across the Asia Pacific region; a collective, coordinated and complimentary approach to humanitarian aid, which increases local capacity to prepare for, respond to and recover from disasters.

- Intelligent aid draws on business, technology and data to speed up recovery from disasters and reduce their disruptive effects. This includes investing more wisely in preparation and early action before a disaster strikes
- making better use of mobile and aerial technologies before, during and after a disaster

Mass mobilisation & engagement

The rise of online networks is re-shaping the meaning of community in the 21st century as millions of people create and use digital technology to come together and to shape the world around them, in both positive and negative ways. Like-minded groups and individuals can connect, share ideas, form relationships and self-organise around shared interests, concerns and values, outside of institutional bureaucracies or geographical boundaries and without the need for an intermediary^{3,4}.

A more interconnected world has highlighted differences over ideas and values, as social media can create an environment where personal ideas, or beliefs are amplified or reinforced while shutting out contrasting worldviews⁵. As individuals increasingly feel disengaged from traditional structures of power, yet strongly engaged through new forms of participation, this poses both a significant challenge and an opportunity for governments and civil society in mobilising public support.^{6,7} The following two case studies demonstrate harnessing this capacity in a positive way.

CASE STUDY: 'WhatFutures'

Australian Red Cross is progressing a collaborative, whole-of-organisation futures and foresight function to feed critical insights that will shape organisational strategy beyond 2020. The function aligns with the IFRC's Futures and Foresight Framework and Australian Red Cross is partnering with the Solferino Academy to implement the national and regional approach. [WhatFutures](#) is led by the Solferino Academy and is an innovative and large-scale multiplayer future forecasting game, played entirely over WhatsApp. It was designed in partnership with [OpenLab](#), a research lab at Newcastle University, to engage IFRC's youth volunteers in sharing their hopes and fears for the future, and to include these voices in shaping IFRC's Strategy 2030. Overall winning submissions was displayed at the General Assembly in Turkey in November 2017 and the content derived from the game was also fed into Strategy 2030 workshops at the General Assembly.

³ Deloitte, *Tech Trends 2016: Innovating in the digital era*, Deloitte University Press, 2016

⁴ CSIRO, *Our future world: Global megatrends that will change the way we live*, CSIRO, Brisbane, 2012

⁵ Edelman Trust Barometer: *Global Report*, 2017

⁶ World Economic Forum, *The Global Risks Report 2016*, 11th Edition, 2016
T. Morey, T. Forbath & A. Schoop, 'Customer Data: Designing for Transparency and Trust', *Harvard Business Review*, <https://hbr.org/2015/05/customer-data-designing-for-transparency-and-trust>, (accessed 30/11/17)

⁷ IMF, 2016

CASE STUDY: Missing Migrants

The International Committee of the Red Cross (ICRC) has launched a new website – missingmigrants.icrc.org – calling global attention to the human stories behind the humanitarian tragedies of those who go missing along migration routes.

The website is part of a concerted effort by the ICRC to draw attention to this overlooked humanitarian tragedy. Whether in the Maghreb, the Mediterranean, or Central America, or as a result of migration, violence or conflict, those who go missing leave behind families, memories, and lives. This is an issue that deserves greater attention and response around the world.

Through an innovative mix of polaroid photographs, video footage and handwritten messages gathered in collaboration with migrants and their families in Honduras, Guatemala and Mexico, the website gives a face and voice to a complex global phenomenon and calls attention to the pain and suffering of the families of missing migrants.

The digital revolution is creating major societal shifts that will impact Australia's productivity, competitiveness and social strength

The nature of economic participation is changing

Globally, we are dealing with a world where artificial intelligence and automation is starting to affect almost every occupation and make many jobs obsolete. People have very real worries about the future and the displacement resulting from technology.

Workforce change is challenging and millions of workers have transitioned from one job to another. In the last 25 years there has been a decline in manual jobs, but an increase of more than 400,000 new jobs in community and personal services, and 700,000 new jobs across the professional and business services⁸.

With joblessness being linked with poorer health, rising crime, social isolation and substance abuse. **Government needs to work with business and the community to ensure that education and skills development are at international standards, and that transitional arrangements are in place to accommodate those left out of the workforce.**

That said, new ways of economic participation have been emerging on a large scale. The internet is providing the means for many to engage in the economy in new and disintermediated ways – allowing almost anyone with a skill, product or service to connect with potential customers and make an income. The rise of Uber, AirTasker and similar platforms is empowering individuals in a very new marketplace.

⁸ J. Chalmers and A. Charlton, 'The Robot Race', *The Monthly*, November 2017, p. 29.

CASE STUDY: Airtasker

[Airtasker](#) is an Australian trusted community platform that connects people who need to outsource tasks and find local services, with people who are looking to earn money and ready to work. There are a range of tasks available on Airtasker from tasks around the home like deliveries, cleaning and gardening to tasks for businesses like office admin, promotional work or computer & IT support. There is also a range of creative tasks like photography, graphic design and website & blog support which can help to earn money online. Key stats:

- a) Over 1.6 million people are using Airtasker
- b) Over \$215 million worth of jobs created
- c) Over \$15.4 million jobs available per month

Disintermediation is shifting democratic participation

Traditional structures of political decision making are under pressure as national and global connectivity allow individuals to form impactful groups that are able to protest, undermine and/or contribute to causes they are passionate about. In this context, there is increasing mistrust of traditional political, business and media institutions and a push for radical transparency in decision making. Social/political platforms like SumofUs and GetUp are providing simple and convenient ways for mass pressure to be applied to decision makers and for funds to be raised to support small and large causes. These effects are unsettling democracies and businesses the world over.

That said, there is increasing opportunity for all institutions to harness collective democratic participation –to inform policy and practice, and business and financial decision making. Increased transparency and collective decision making could arrest the current decline in institutional trust and revolutionise modern democracies.

CASE STUDY: Participate Melbourne

The City of Melbourne engaged with its community in creating its 10 year financial plan. The broad community engagement ensured anyone could join the conversation using the budget simulator and at a number of community events across the city. Information gathered during the broader community engagement was presented to the People's Panel to inform their recommendations.

The People's Panel of 43 randomly selected Melburnians was formed to make recommendations to Council on its spending and revenue strategy over the next decade. The diverse group of residents and ratepayers were given open access to information, expert opinion and financial data to inform its recommendations.

Social inclusion can be both strengthened and weakened

By not being online, people can miss out on education, health, social and financial benefits, especially as services move increasingly online. Even when access to digital technology is available, lack of digital literacy can prevent vulnerable people from using it the most effective way to address their needs.

Digital technology has the ability to both connect and disconnect people and may be a factor in a rise in loneliness in our society. We need to better understand the psychosocial impacts that digital and emerging technology has had and will have on our communities.

Bridging the digital divide can help unleash the potential of vulnerable groups and alleviate many of the problems they face such as community connectedness, positive social relationships, employment and training opportunities, maintaining long-distance connections, and social integration.

CASE STUDY: Ask Izzy

[Ask Izzy](#) was developed by Infoxchange in partnership with Google, realestate.com.au and News Corp Australia. Ask Izzy is an innovative mobile website that connects people in need with essential services such as shelter, food, clothing and health care. It is free and anonymous, with over 350 000+ services listed including housing, meals, healthcare, counselling, legal advice, addiction treatment and more. The website Ask Izzy is also free to use on the Telstra mobile network which means people don't need to rely on having credit or access to free wifi in order to

Digital inclusion

Australian Red Cross supports the definition of digital inclusion in the Australian Digital Inclusion Index (ADII) whereby ... "Australians should be able to make full use of digital technologies – to manage their health and wellbeing, access education and services, organise their finances, and connect with friends, family and the world beyond. It's about social and economic participation: using online and mobile technologies to improve skills, enhance quality of life, educate, and promote wellbeing across the whole of society"⁹. Digital inclusion is necessary if Australia is to be productive, competitive and a nation of strong social cohesion.

According to the [second report](#) of the Australian Digital Inclusion Index (ADII) there is still a "digital divide" between richer and poorer Australians. Affordability and geographical disparities still exist. Indigenous Australians, people with a disability and Australians with low levels of income, education and employment, and older Australians are more digitally excluded than others. Digital service mechanisms also tend to be better accessed by more well-resourced clients rather than deeply disadvantaged clients.

⁹ [J Thomas](#), [C Wilson](#), [J Barraket](#), [J Tucker](#), [E Rennie](#), [S Ewing](#), [T MacDonald](#), 'Measuring Australia's digital divide: the Australian digital inclusion index 2017', [RMIT University](#), 2017, p.7.

Disparities also exist along geographic lines. For example the ADII report shows that Tasmania lingers behind other states on the digital inclusion scores and almost one in two adult Tasmanians lacks the literacy skills they need to engage fully with their family, community and work.

In 2017, people in our lowest income households (less than A\$35,000 per year) have a digital inclusion score of 41.1, which is 27 points lower than those in the highest income households (above A\$150,000) at 68.1. The measures of access and digital ability show consistent improvement from 2014 to 2017. However, the affordability measure has declined since the 2014 national baseline (despite a slight bump in the past 12 months).

This is supported by ICT processes which bring diverse communities together in one location and can empower them to solve their own problems through community debate and facilitation. Distance is a barrier for many of the groups, and is often a major contributor to deep social exclusion.

Reliable internet connectivity and speeds are an important way to ensure digital technology plays a positive economic and social role in society. In the charity sector, trust is difficult to build and is often tenuous at the best of times. New technologies present new and exciting ways to engage with vulnerable people¹⁰, but this trust will not be able to be maintained if unreliable internet connections and speeds are not guaranteed.

Governments, business and the community sector need to work together to address the digital divide and ensure that digital equality is central to Australia's digital economy strategy. We support the work of groups like Infoxchange and the Australian Digital Inclusion Alliance (ADIA) in their pursuit of digital inclusion for all Australians.

There are four key pre-requisites for a thriving Australian digital economy – all of which support 'digital inclusion'

Pre-requisite 1: Access

Infrastructure and access are key issues. According to the latest ABS Census data, 14.1 per cent of the population did not have access to an internet connection from their dwelling. Australia lags on internet speeds behind other countries where speeds are growing more rapidly than ours. We were ranked 50th worldwide¹¹ for the average speed of fixed internet connections, despite our mobile internet being amongst the world's fastest.

The Federal, State and local governments have a key role to play in infrastructure development as well as access to local facilities.

¹⁰ 'The perfect brew: Coffee, charity and connectivity', *NBN Co*, 18 July 2016, <https://www.nbnco.com.au/blog/business/a-cup-from-above-coworking-in-brisbane.html>, (accessed 30 November 2017).

¹¹ Akamai's, *State of the Internet*, Q1 2017 Report, Vol. 10 No. 1.

The Federal Government needs to set the standards and invest in up-to-date infrastructure that delivers digital connectivity across the nation.

When completed in 2020, the NBN should provide high-speed broadband services to all Australians. Red Cross supports the Productivity Commission's report¹², and the Government response, so that the Universal Service Obligation (USO) provides baseline (or minimum) broadband and voice services to all premises in Australia. The UK Government is introducing¹³ a new broadband USO, giving every household and business the right to request a broadband connection at a minimum speed of at least 10Mbps.

The Federal Government has a key role internationally to maintain net neutrality and digital inclusion principles. The recent debate on net neutrality in the USA highlighted the implications of how one country's moves to regulate the internet could have damaging flow-on effects internationally¹⁴.

Pre-requisite 2: Affordability

As an increasing number of essential services and communications move online, the challenge to make the Australian internet more affordable is becoming more urgent.

Given that many people do not have internet access or useability varies, governments must ensure that society as a whole participates in the digital economy. The economic reality is there's a 'poverty premium' where people are paying a premium to access digital avenues because they must use 'pay as you go' services which come at a higher cost – mobiles for example.

While this may ensure that all Australians have access to high-speed broadband, in the interests of affordability, we suggest that broadband should be treated as an essential utility like electricity because being deprived of basic utilities causes hardship¹⁵.

We support the development of secure public access such as free wifi in public areas including public libraries, health care facilities, nursing homes, public transport and regional or remote areas where public access is limited.

Pre-requisite 3: Individual capability

Australia's education system will need to adapt to the changing world of work. Many students are enrolled in courses for jobs that are likely to disappear in the near future. There may be a considerable

¹² Productivity Commission, *Telecommunications Universal Service Obligation*, Report No. 83, Canberra, 2017.

¹³ UK Government – Department for Digital, Culture, Media and Sport, *A new broadband universal services obligation: consultation on design*, July 2017.

¹⁴ J. Law, 'Will the US war over internet access affect Australia?', news.com.au, 25 November 2017. <http://www.news.com.au/technology/online/will-the-us-war-over-internet-access-affect-australia/news-story/af22432ed30b7f100bacf7f373629311>, (accessed 30 November 2017).

¹⁵ <http://www.abc.net.au/news/2017-12-04/should-the-internet-be-considered-an-essential-service/9221616>

difference in the skills currently being learned to those required for the future – for example entrepreneurship and adaptive leadership.

Digital skills remains a key area, particularly for vulnerable groups. There are some excellent examples of community or government programs helping to improve people's skills and confidence.

Australian Red Cross can facilitate relationships with technology partners and sectors or society to help build skills and confidence. For example Red Cross's younger volunteers participate in the Be Connected campaign and educate aged or isolated people on digital technologies.

We recommend that digital skills training be freely available so everyone can flourish in the digital economy.

Governments have a responsibility to ensure that citizens can enjoy simpler, faster information and services and the Digital Transformation Agency has a key role in making government information and services simpler and more accessible. We support the DTA's approach being customer centric – focussed on the needs of users, whether it be individuals, businesses, service providers and government agencies.

Pre-requisite 4: Safety

Everyone has a responsibility to ensure the digital world is safe – without such a guarantee the digital economy cannot thrive. Examples include cybercrime, data breaches, malicious activity and identity theft. We can counter harmful behaviour on the internet through ongoing awareness and prevention activities and support as mentioned above.

An agile regulatory framework is necessary to keep step with rapid technological and society change. Many technological advances fall outside the current boundaries of existing regulatory frameworks. For example, facial recognition provides authorities with means of identifying people more readily than fingerprints. According to *The Economist*, "China's government keeps a record of its citizens' faces; photographs of half of America's adult population are stored in databases that can be used by the FBI. Law-enforcement agencies now have the ability to track criminals, but at enormous potential cost to citizens' privacy"¹⁶.

Whilst artificial intelligence gets more ubiquitous, we are faced with the risk of weaponised systems, and governments – Australia and international organisations – will need to mitigate such risks or we face "the worst event in the history of civilisation"¹⁷. This reinforces the need for governments, business and civil society to collaborate on the range of policy issues that technology raises.

¹⁶ 'What machines can tell you about your face', *The Economist*, 9 September 2017, <https://www.economist.com/news/leaders/21728617-life-age-facial-recognition-what-machines-can-tell-your-face>, (accessed 30 November 2017).

¹⁷ S Hawking, 'Australian AI policy is badly adrift', *Innovationaus.com*, 20 November 2017, http://www.innovationaus.com/2017/11/Aust-AI-policy-is-badly-adrift?utm_medium=email&utm_campaign=Newsletter%20171%2021%20November%202017&utm_content=Newsletter%20171%2021%20November%202017+CID_81f03fc2e7b935d1a070c9a0a2b9e104&utm_source=Email%20marketing%20software&utm_term=Aust%20AI%20policy%20is%20badly%20adrift, (accessed 30 November 2017).