GROUP 4: DIVERSIFICATION BEYOND PRIMARY SECTORS

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Building Digital Economies

CONNECTION

First Nation and Māori economic growth and prosperity has been centred primarily around utilising traditional natural assets.[1] While this has provided stable but low revenue, there is potential to participate in all parts of the value chain, where provenance and our regional stories can

Our group's initial focus was to identify opportunities for Indigenous economic growth beyond primary sectors. However, it became clear that while this is possible for some larger Iwi and First Nation, Métis and Inuit communities that are already operating in this space, we discovered that there were significant barriers to connection for the majority of indigenous communities that needed to be addressed first, to afford the same opportunities to all.

The common barrier to growth for our Indigenous Peoples, both in capturing more of the value chain in the existing industries we work in, and diversifying beyond the primary sector to digital businesses, has been **connection**.

First, and most critically, digital connection in the physical sense. Due to geographic location and under-prioritisation by Governments.

Approximately 33% of First Nations communities and 30% of Māori communities do not have access to workable internet. The more remote and isolated the community, the less access they have. The cost of high-speed fibre to many of these communities is prohibitive, often leaving satellite internet as the only delivery option.

Second, connection and ability to access the business support eco-system. Without connection to these basic utilities and services, the ability to pursue economic opportunities is limited. We note these issues are even more acute for First Nation, Métis, Inuit and Māori communities in remote rural areas.

The COVID-19 pandemic and the resulting lockdown has further shone a spotlight on this digital divide and brought into sharp contrast the inequities in connection not just to the internet, but to education and to business.

This report offers two proposals, one for Canada, and one for NZ, that take account of the differing needs in our respective countries and how we can address them. enhance our differentiation.

What Do our Rural Communities Need to Grow?

Connectivity: the deployment of quality broadband infrastructure.

Human Capital: connection to training, support and funding offered by the business support eco-system to develop the skills and capability needed to take advantage of the possibilities offered by a digital society.

Integration of Digital Technology: the digitisation of businesses and the ability to connect and take part in the digital economy.

Proposal

CANADA

The more remote and isolated less access they have. The cost of high-speed fibre to many of the communities is prohibitive, leaving satellite internet as the only delivery option.

As statistics highlight, there is a wide range of have/have not communities. Some communities have a mix of training/business services located centrally. This central location is usually tied directly to the community government and piggyback on their existing services. Communities should not be burdened with another piece of infrastructure they need to manage; therefore, the facility should be "stand alone" or "turn-key" as much as possible.

60%
Nunavut communities do not have access to 5mbs download speeds

38%
Northwest Territories do not have access to 50mbps download speeds

29%
Yukon Territories do not have access to 50mbps download speeds

1/3
First Nation on-reserve communities have access to workable internet

Deliverable – A Stand-Alone Digital Hub Facility

A modular structure being manufactured offsite and transported in and then set in place is the most effective solution. The modular structure will be robust enough to be set in place with a minimal amount of site preparation. Electrical/Utilities availability would need to be fine-tuned depending on location. The building would have all modern connectivity hardware preinstalled. High speed satellite internet is an easy one-fix solution to remote communities. The communities with access to fiberoptic line would be the preferred method for service.

Deliverable – Onsite Business Administrator

The business hub will need to be managed by at least one individual. This role would need to be full-time paid position that offers community members the technical support required to navigate the digital world of business and monitor the use of the facility. Not only deemed as support but this proposal will create a new job where there was none before.

Budgeted Cost (per facility)

Complete modular facility	$250,000 upfront purchase cost (including hardware/audio-visual equipment)
Set-up and delivery	$50,000 one time (high end cost depending on remote locations)
Onsite administrator	$100,000.00 annually (including training/travel and support)
High-speed satellite internet	50/10 Mbps $6,000 annually (where required)
TOTAL	**Upfront: $300,000** **Annually: $106,000**

Leveraging solutions between countries

The New Zealand Government-administered Provincial Growth Fund has been set up to invigorate the regions and rural communities outside of the main centers. As part of its focus on rural broadband rollout it has created the Regional Digital Hub ("RDH") initiative with the goal to place turn-key mod lar hubs in Māori communities to provide key digital services and co-working spaces for training and business. The operational model and government funding structure for the NZ initiative can be leveraged for the creation of the Canadian initiative.

AOTEAROA

The rural digital hub initiative, along with the Marae broadband rollout, is a positive step forward in digitally connecting some of Aotearoa's most rural and remote communities. However, to realise their full potential the connection needs to extend to the support, skills and wisdom of the indigenous business ecosystem.

There are multiple services and Government agencies offering business support and funding to fuel growth. However, there are two key issues/roadblocks:

1

Navigating the ecosystem, knowing what's out there, understanding who can help, and making the appropriate connection is difficult.

2

There is often a gap between the capability of a whanau or Iwi business proposition, and the governance and capability requirements to receive support and funding incentives.

COVID-19 has taught us that a lack of physical connection was not a barrier for education and business to continue. Building on this was the innovation around the digital platforms being used to connect, particularly initiatives like Manaaki.io which enabled indigenous businesses being impacted by the shutdown, to connect with subject matter experts that could either help them directly, or connect them to the service or fund that could assist.
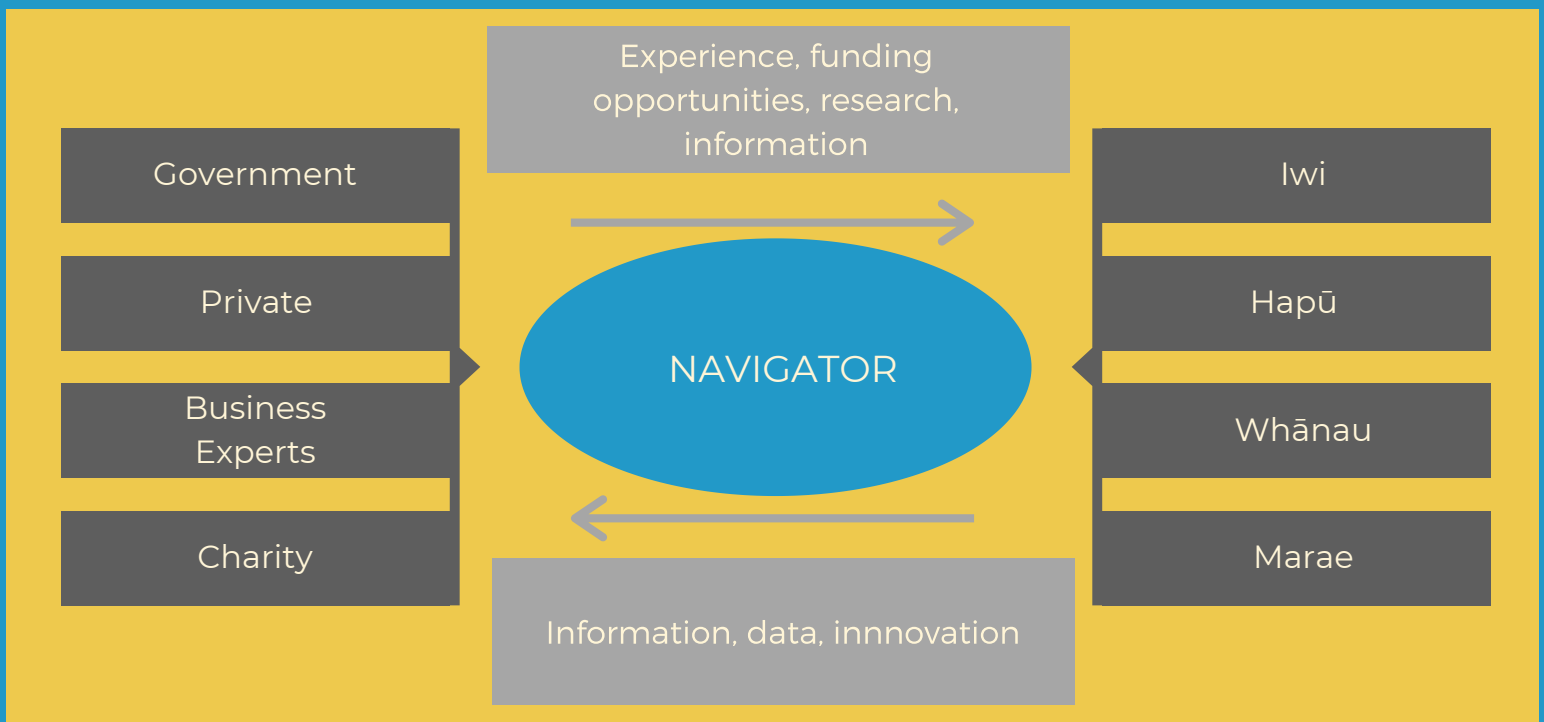
Deliverable – Digital Connectivity Platform

With the rollout of Digital Hubs and connectivity to Marae, there is the opportunity to a integrate a standardised platform that delivers a wrap-around service to groups or organisations at all stages of maturity, where needs assessment can be conducted online, and connections made to the appropriate organisations and services for each stage of their journey. Connecting to grow capability, opportunities, and prosperity.

Outlined below are the key elements of the platform, tying together existing offerings and new wrap around services:

1. Access to online capability development and business support
2. Building a digital business platform
3. Sharing traditional knowledge / networking

	Experience, funding opportunities, research, information		
Government			Iwi
Private	NAVIGATOR		Hapū
Business Experts			Whānau
Charity			Marae
	Information, data, innnovation		

Budgeted Cost (per facility)

We have costed the platform and estimate it can be built at speed in six-months for integration into existing and new RDH's being rolled out. Post-delivery of the initial hub service, the platform can be optimised for wider public access.

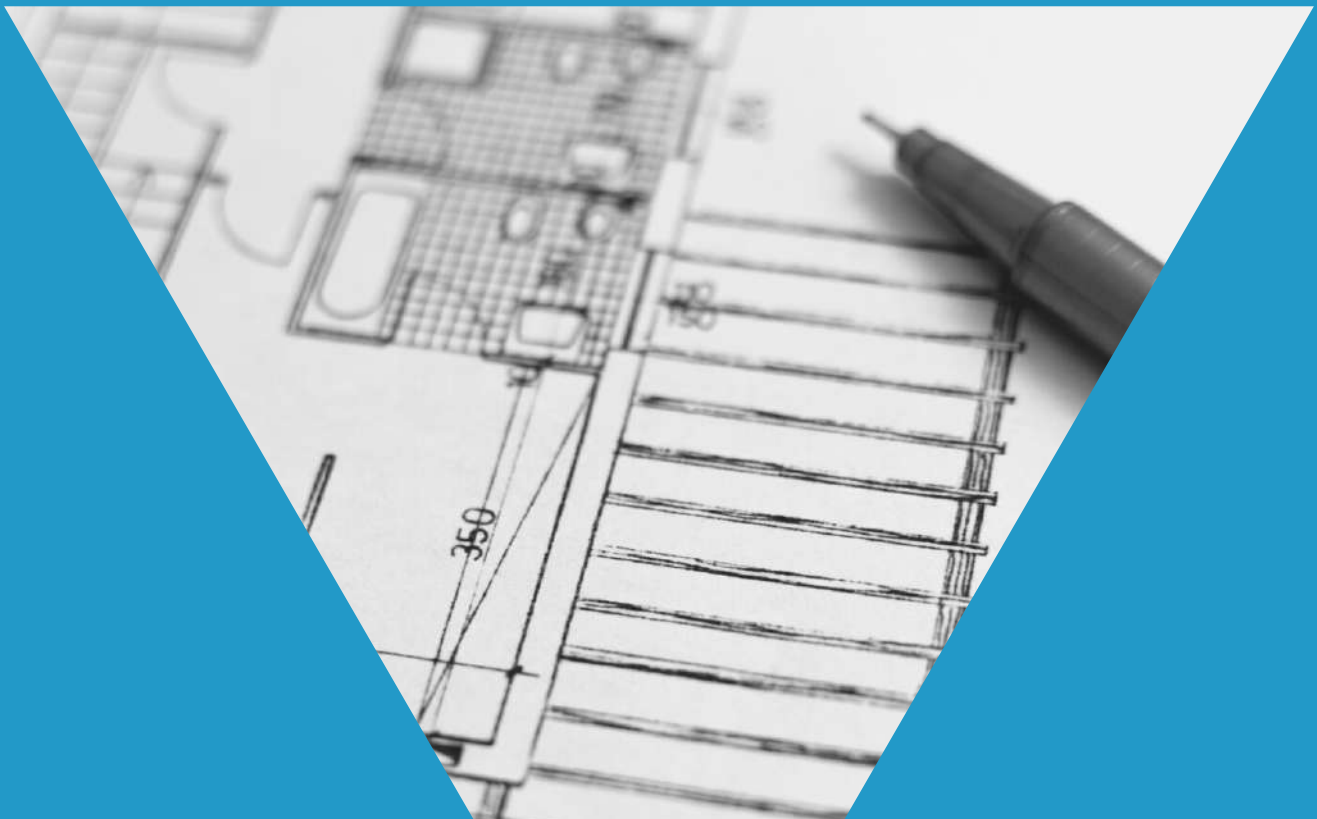|	
Development	$200,000 - $300,000
UI/UX design	$40,000 - $50,000
Quality assurance	$20,000 - $30,000
Project Management, liaising with existing services and platform owners	$100,000 - $120,000
TOTAL	**$360,000 - $500,000**

RECOMMENDATIONS

Commit to fund a 2-year pilot of the modular office solution in three communities in Canada requiring a commitment of CAD $2.5m.   Indigenous communities would be chosen from a wide cross section of have/have not areas. (remote locations to more urban communities). Funding for each 2 year pilot would include the modular office structure, administrator salary and training, infrastructure/logistics costs

Approve funding for the development of the recommended digital wrap-around platform described above in New Zealand

Sources:
1: The 50/10 Mbps internet standard required to connect communities
2: https://www.internetsociety.org/resources/doc/2020/ensuring-every-canadian-has-access-to-the-internet/
3: https://www.growregions.govt.nz/about-us/news-and-announcements/five-regions-to-get-new-digital-hubs-through-provincial-growth-fund/

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