

# CORRECTED VERSION

## RURAL AND REGIONAL COMMITTEE

### **Inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria**

Echuca — 15 August 2013

#### Members

Mr D. Drum  
Mr G. Howard  
Mr A. Katos

Mr I. Trezise  
Mr P. Weller

Chair: Mr P. Weller  
Deputy Chair: Mr G. Howard

#### Staff

Executive Officer: Ms L. Topic  
Research Officer: Mr P. O'Brien

#### Witness

Mr R. McMahon, general manager, Wild Monkey Design and Hosting.

**The CHAIR** — Welcome, Rohan, to the Rural and Regional Committee of the Parliament of Victoria's inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional areas. I hereby advise that all evidence taken at this hearing is protected by parliamentary privilege, as provided under relevant Australian law. I also advise that any comments made outside the hearing may not be afforded such privilege. Rohan, for the benefit of Hansard, could you please give your name and business address?

**Mr McMAHON** — Yes, my name is Rohan McMahon, and my business address is 13 O'Keefe Street, Kyabram, Victoria.

**The CHAIR** — Would you like questions as you go or at the end of your presentation, Rohan?

**Mr McMAHON** — May as well just as I go; that would be easier.

**The CHAIR** — Could you give us some introductory comments?

**Mr McMAHON** — Pretty much, the business I run is called Wild Monkey Design and Hosting. What that is pretty much a website design business and provider of e-business-type assistance for small business around the Echuca-Kyabram area. At the moment it is only a small, part-time business; I actually work as an accountant full-time, so this is just a part-time thing. The main focus, as I said, is on small business and solutions for those businesses at a fairly low cost, rather than the big corporates who will charge thousands of dollars and would be out of their reach.

**The CHAIR** — With your business, you are in Kyabram. Where is your client base?

**Mr McMAHON** — Mostly in Echuca, which is helped by the accounting firm I work at — a bit of referral each way and stuff like that. It has helped me build up a bit of a client base that way. Obviously as you grow, things just naturally expand.

**The CHAIR** — Do you use the internet to advertise?

**Mr McMAHON** — I do use the internet to advertise, and I have got a few referrals from that, but I still find most of my stuff comes from word of mouth. Maybe if you were looking in the city, it would be a little bit different, but country businesses seem to find that someone has been referred to them by someone they know. It is something they know is going to be right, is going to work and will be done correctly.

**Mr HOWARD** — But then obviously as you get going in this business there is no reason why you could not build websites for people anywhere in Australia or anywhere else, is there?

**Mr McMAHON** — No, absolutely not. Like I said, I have got my own website. It is there on Google for everyone to see. It is just a matter of whether I choose to push it much in that direction.

**The CHAIR** — How have you got your office set up?

**Mr McMAHON** — It is just a home office at the moment.

**Mr HOWARD** — Which is all you need.

**Mr McMAHON** — Yes, pretty much.

**The CHAIR** — So do you just have a laptop as your home office?

**Mr McMAHON** — I just use a desktop computer and a couple of web design packages. That is enough to be able to do everything online. I just use a standard ADSL connection at home, which is all right but in my business it is not really up to scratch.

**The CHAIR** — If you had better, what could your business do?

**Mr McMAHON** — Probably one of the biggest limitations at the moment is just that clients always have stuff they want to email you. They might have photos for their website and stuff like that. When you are doing designing and stuff, it is quite large file sizes. On ADSL, because of the limited upload speed — which is what

it can send to the other person — that is really limited. Transfers can take an hour sometimes, even on ADSL. For instance, if you had a good NBN fibre connection or something along those lines — a proper fixed line or something like that — those times could be halved down to minutes. So it is a fair bit longer.

**Mr DRUM** — Are many of your clients restricted as to what they can put on their websites due to their lack of bandwidth or the lack of connectivity that they experience?

**Mr McMAHON** — In my case generally not. They are located locally and I usually just go to them and manually get a copy from their computer, so I can usually get things up anyway. But if you were working further away — so if you had a client in Melbourne who did not have a good internet connection — yes, it could be quite limiting. You may not be able to get that high resolution photo that you need to make the website look as good as possible.

**Mr DRUM** — Just say, Rohan, you had a paddle-steamer business up here and you wanted to be able to have a website that showed vision and 20 seconds of footage of an experience on a paddle-steamer. Does the vision of that paddle-steamer choofing down the river use up a hell of a lot more band space than just photos or writing?

**Mr McMAHON** — Yes, they use heaps more. Basically the way that works is that when you have a video or photo you have a file size. Every time you watch that video or look at that photo it has to be downloaded from your web server. The higher the resolution of the video or photo, the more bandwidth you are going to need and the longer it is going to take to download, unless you have fast connection.

**Mr DRUM** — Is that reliant on the individual who is trying to access your website more so than on where you are at the moment?

**Mr McMAHON** — Yes, because at the moment with the situation in Australia with the limited upload speeds everywhere, to have a website these days you really have to have it in a data centre. Essentially that is in the middle of Sydney or Melbourne with their fibre connection to the server. That is the only way you can serve more than one person at once. An example of where you could do that better is the US. Some of those cities have Google fibre going to them now. They have a symmetrical connection, which means uploads and downloads are the same, and you would be able to run a web server from home or business. It would not be anything up to the standard of Google, but for most small businesses it would be sufficient for the 10 or 20 customers that may look at the website at once.

**The CHAIR** — What if there was to be a hub in Kyabram? You were working from home but there was a hub in Kyabram that had the connection? Would that be an advantage to your business?

**Mr McMAHON** — Yes, that would be a great advantage because, depending on where it was, potentially a local business may decide to set up a server there or something like that. In Kyabram there are a few other businesses in advanced computing and they do a lot of network-based stuff like that, so potentially someone like that could start a local server where you could host websites from, potentially at a lower cost and more accessible.

**The CHAIR** — And you could go in and use it for 1 or 2 hours or whatever.

**Mr McMAHON** — Yes, something like that. The other benefit of that would be that people who do not have an internet connection in the home or cannot have one because of poor phone line quality could go and use it as well.

**Mr HOWARD** — And of course the other benefit of those sorts of venues might be that you get a number of professionals working in the same environment and then sharing some of their knowledge and skills and building off those to improve their own business opportunities.

**Mr McMAHON** — Yes, or at the very least a good networking situation anyway.

**Mr DRUM** — Do you get an opportunity to network amongst other web designers? Do you use the internet to do that? Is it a friendly group or is it a very competitive group?

**Mr McMAHON** — I have not had contact with any of them at all really. I mainly network with local businesses through my accounting firm, which is probably the main thing for me. I am not sure if they network at all or anything like that. I get the feeling that they are a fairly competitive bunch though.

**Mr DRUM** — Dog eat dog.

**Mr McMAHON** — Yes, pretty much.

**Mr HOWARD** — How did you develop your own web design skills?

**Mr McMAHON** — When I was at school I did a certificate, so I got a lot of my skills from that and gradually learnt over the internet over time.

**Mr HOWARD** — You said you did that while you were at school. Did you mean at secondary school?

**Mr McMAHON** — Yes, secondary school.

**Mr HOWARD** — You did some sort of VET unit?

**Mr McMAHON** — Yes, a VET course.

**Mr HOWARD** — A certificate course.

**Mr McMAHON** — Yes.

**Mr HOWARD** — Who was the certificate course offered through?

**Mr McMAHON** — I think it was actually through the school, and that was in Kyabram. It was a certificate III.

**The CHAIR** — Was it St Augustine's or Kyabram?

**Mr McMAHON** — It was Kyabram Secondary College at the time.

**Mr DRUM** — Is your business one which you could see expanding significantly if you had access to greater bandwidth, greater download speeds and the like, or is it mainly just a matter of trying to grow the business slowly while you still have your own job on the side?

**Mr McMAHON** — A bit of both really. Obviously the growing bit on the side will take time because I am a small business, but at the same time if everyone had access to higher speeds, people would be more inclined to move onto the internet, which in turn would help to get more clients.

**Mr DRUM** — Do you think the average member of the public understands what is waiting for us under NBN? If we were able to get greater bandwidths, greater speeds and greater reliability, do you think —

**Mr McMAHON** — Most of them have no idea at all, probably mostly due to a lack of education. They would see the internet speeds at the moment and would not understand how much an increase in speed would benefit them just by opening up the benefits and the new applications that are available like teleconferencing and webinars and stuff like that, which many people probably have never heard of or experienced before.

**Mr DRUM** — Is speed going to be the big change for us, or is it mainly going to be bandwidth?

**Mr McMAHON** — It is a bit of both up to a certain level. Once you get to a certain level, until they develop the new level of applications, it is probably not going to make a huge difference. At the moment most web cameras are not super-high resolution, so say a 50 megabit connection, which everybody would be able to get under the NBN, would be sufficient. But that is not to say it would be in 10 years time because they might have some new application that uses even more.

Probably the major limitation is, like I said, the upload speed. At the moment with your ADSL your download speed is pretty good if you can get good ADSL, so you might be able to watch a video on YouTube or something like that. But the real limit is if you are doing something like a webinar or a teleconference, you need

to send the data to the other party as well, which is where your upload speed comes in, and at the moment I think it is probably around one-twenty-fifth of your download speed on most ADSL, which really limits what you can do. That is probably the biggest benefit that would come from an NBN or like situation. Even the fixed wireless they were talking about in some rural areas is still going to have a lot higher upload speed and will make things easier for people that way.

**Mr DRUM** — Do you use social media to market your business, or do you use social media to give yourself new ideas for web design?

**Mr McMAHON** — I use it a little bit for marketing, like I said, but not a whole lot, as most of my clients come from word of mouth around here.

**Mr DRUM** — The accounting industry is very serious, is it not?

**Mr McMAHON** — Yes.

**Mr DRUM** — You do not want too many people in fishnet stockings.

**Mr McMAHON** — There are a lot of firms that have started to look towards social media, and previously I went to a technology conference in Sydney. There are actually a couple of city-based firms that have built their client base entirely from social media, which is really quite an interesting thing for an accounting firm. It all depends on your client base, who your target audience is, stuff like that. If you are going for the younger generation, maybe it could work.

**Mr DRUM** — And there is no problem with a conflict of interest with your clients who come in to get some accounting advice and all of a sudden you have got them over in the corner talking about a new web design?

**Mr McMAHON** — No, because we actually have an IT department as well, so I am kind of working for them like a subcontractor type of thing as well. It is really of mutual benefit. We look to give our clients the full service, not just accounting in and out the door. We look to do everything we can for them.

**Mr HOWARD** — With your accounting job, where is your work based?

**Mr McMAHON** — I work in accounting in Echuca.

**Mr HOWARD** — So Echuca is your work base for accounting. Do you have to go in there all the time, or is it possible that you could do some of your accounting work from home?

**Mr McMAHON** — Yes, I could actually do most of my work from home.

**Mr HOWARD** — Have you tested that as a possibility, or have you been happy to go in and out of Echuca?

**Mr McMAHON** — I have been happy to go in at the moment because I just find I get more work done in an office. It is purely just a thing for me really, but a lot of the accounting industry has moved towards cloud-based technologies in the web, so there is definitely a possibility I could do a lot of that from home because it is all accessible from there if I need it.

**Mr HOWARD** — Do any of your colleagues in the accounting firm look at working from home part of the time?

**Mr McMAHON** — They do occasionally when they have a sick day or something like that, with a sick child at home or something, but beyond that most of the firm's policy is that we should be there to go and see clients and stuff like that with face-to-face contact. But yes, there is no reason why we could not work from home if we needed to.

**Mr HOWARD** — Obviously the face-to-face time is important as well.

**The CHAIR** — Or going to the client's premises.

**Mr McMAHON** — Yes, that too.

**Mr HOWARD** — You could do that, but then the actual accounting part of it, something you are sitting behind the desk for, could be done anywhere, could it not?

**Mr McMAHON** — Yes, pretty much. There are definitely opportunities for local businesses to do work from home. They just have to look at the technology they are using in their business and the processes.

**Mr HOWARD** — It is a matter of getting around the culture of thinking you need to go into that workspace together all the time, or can you establish a culture where it is a bit of balance?

**Mr McMAHON** — There should definitely be a balance because I think there were a couple of companies in the US, one of them being Yahoo, and being a real technology company a lot of its workforce worked from home and other places.

**Mr HOWARD** — And then they put an end to it.

**Mr McMAHON** — They actually found their productivity went down, so they said you had to come in and build your team-building skills and all that for one or two days a week.

**The CHAIR** — And the other three or four days a week they were at home?

**Mr McMAHON** — Yes, at home, or wherever they chose to work.

**Mr HOWARD** — I must say I thought Yahoo had stopped it altogether.

**The CHAIR** — Thanks very much, Rohan, for coming in today and giving us a very informative talk about how you work within the accountancy firm and also in your own business Wild Monkey Design and Hosting. It is an innovative business, and it is good to see a young person out there having a go. In about 14 days time a copy of the transcript will come to you. You will be able to make corrections to obvious errors, but other than that it will be as it is. Once again, thank you very much for your time here today.

**Mr HOWARD** — And good luck.

**The CHAIR** — Given that is the end of the hearing, I thank the Campaspe Shire Council very much for hosting us today, and I thank Hansard and Lilian for their organisation.

**Committee adjourned.**