

# DELIVERING DIGITAL BRITAIN

CWU Campaign Briefing document for MPs



THE CWU IS CAMPAIGNING FOR ECONOMIC GROWTH,  
JOB CREATION AND SOCIAL INCLUSION IN A DIGITAL BRITAIN

The CWU's 'Delivering Digital Britain' campaign seeks to improve on the Digital Britain proposals and secure their swift passage into legislation for the benefit of the UK's citizens and economy.

### **THE DIGITAL BRITAIN PROPOSALS**

The government's Digital Britain Report was published in June 2009 by BIS and the DCMS. Its central aim is to maximise the social and economic benefits of the digital revolution.

The proposals include a commitment to universal broadband at a minimum of 2 Mbps by 2012, and a fund to enable the roll out of superfast broadband to 90% of UK homes by 2017.

### **CWU POSITION**

The CWU supports the Digital Britain objectives, but we believe the proposals must be more ambitious to truly maximise the potential of digital networks to support economic growth, job creation and social inclusion.

### **THE CWU IS CALLING FOR:**

**A legally binding universal service 'obligation' for broadband.** Whilst the 'commitment' to universal broadband of 2Mbps by 2012 is a step forward, we think it represents a promise of best endeavours and lacks the teeth to reach 100% of homes and businesses.

### **A Next Generation Access Fund supported by both fixed line and mobile telephone operators.**

The government has proposed a 50p per month levy on all fixed lines to raise £150m–£175m a year to support the roll out of Next Generation Access (superfast) broadband to the 'Final Third' of homes where the market alone is not expected to deliver.

The CWU agrees that a fund is vital to support the universal roll out of superfast broadband. But rather than restrict the monthly levy to fixed line operators, we believe it should extend to include all mobile telephone operators. They too will benefit from high speed networks created by public funding, and sharing the burden in this way will spread the cost more fairly. We also support an exemption from the levy for low income users, many of whom will need support and encouragement to take up broadband.

### The current political debate on the 50p levy

Stephen Timms, Minister for Digital Britain, has given his commitment to legislate within the Finance Bill on the monthly levy before the next general election. Conservative shadow culture secretary Jeremy Hunt said that a Conservative government would scrap the tax as soon as possible after the election, according to the Financial Times on 19th October 2009. Secretary of State for Culture Ben Bradshaw responded in a letter to the FT on 20th October 2009, saying 'A small levy on fixed phone lines to fund broadband roll-out is a modest solution to a real problem. By failing to spell out how they would resolve this problem, the Conservatives are willing the ends without means.'

**Roll out of next generation broadband networks to all UK homes by 2017.** The target of superfast broadband provision to 90% of homes by 2017 is not sufficient if we are to avoid exacerbating the digital divide and enable all citizens and consumers to share in the social and economic benefits of high speed broadband services.





**Broadband applications and equipment to be accessible to all citizens and consumers, including those with disabilities.** The proposed new European framework for communications promises to ensure equal usability for disabled users. The UK government has an opportunity and a responsibility to lead the way in this objective through innovation in online public services.

**Creation of a level playing field for competition in the pay TV market.**

Greater broadband take up will depend on the provision of compelling content, which is why Sky's premium TV content should be made available at the wholesale level to ensure fair and effective competition. This will benefit consumers through choice and lower prices, as well as driving demand for broadband services.

A comparable process has taken place with the opening up of BT's access network to competition, which has enabled Sky to become the fastest growing provider of broadband.

The CWU was one of the first to call for Ofcom to address competition in the pay TV market, helping to prompt a review that began in 2007. Virgin Media and BT have made representations to the regulator arguing that Sky's 'near monopoly' of the pay TV market is stifling innovation and means higher prices for consumers. Ofcom has consulted on proposals to control wholesale pay TV prices and is now considering responses. Sky has rejected the plans branding them an attack on a market that is already delivering for consumers.

**A legal requirement for employers in the telecommunications industry to provide workforce training.**

Currently there is a law requiring Ofcom to promote workforce training in the broadcasting industry, and the CWU has been arguing for some time that this should be extended to the telecommunications industry as the two sectors converge. Ofcom has stated that whilst it is not within their powers to act, this is something the government may wish to consider in future revisions to communications legislation.

It is vital that the communications workforce have access to the necessary skills and training to ensure successful delivery of the Digital Britain objectives.

**The swift introduction of legislation on these proposals.** The speed at which these proposals are implemented will have a direct impact on the UK's economic recovery and the future of jobs and growth.



## THE CASE FOR UNIVERSAL BROADBAND AND GOVERNMENT INTERVENTION

Broadband internet access is now a pre-requisite for full participation in society and the economy. A broadband connection enables users to:

- Pay bills more cheaply, shop for the best deals and access the most competitive savings rates
- Access e-government services such as e-health and e-education, and a wealth of information and media content
- File tax returns later, benefiting the self employed and SMEs
- Choose where and when to access the internet, with new mobile broadband devices and applications such as video on demand
- Network with others and share information, improving the potential for social interaction and community cohesion
- Shop and access services from home, benefiting in particular those with disabilities or a lack of mobility, and those in remote areas
- Work from home, helping to ease pressure on transport and the environment
- Reach new markets and interact with customers more effectively

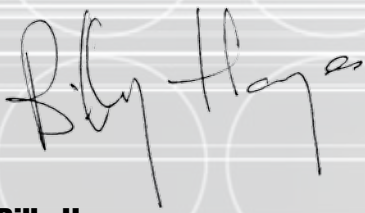
Over 10 million UK adults have never used the internet, 4 million of whom are economically disadvantaged. Digital inclusion is critical to social and economic inclusion, but will not be delivered by the market alone. That is why government intervention is vital to tackling the digital divide before the rise of superfast broadband widens it further. Universal broadband promises to promote social inclusion and increase economic activity, boosting the prospects for jobs and growth.

### CAMPAIGN AUDIENCE

The campaign seeks to lobby key figures in central, regional and local government, and galvanise support amongst CWU members and the general public, particularly in communities where broadband provision is currently seen as inadequate.

We also aim to harness the support of employers who have an interest in the Digital Britain proposals, as well as interested charities and consumer groups.

MPs are asked to promote the objectives of the CWU campaign with a view to encouraging support throughout government and their local constituencies.



**Billy Hayes**  
General Secretary  
[www.billyhayes.co.uk](http://www.billyhayes.co.uk)



**Andy Kerr**  
Deputy General Secretary, Telecoms & Financial Services

[www.cwu.org](http://www.cwu.org)

For more information, contact: **Bill Taylor**  
[btaylor@cwu.org](mailto:btaylor@cwu.org)  
**020 8971 7396**

