CWU and Connect Response to Ofcom consultation document: Citizens, Communications and Convergence.

- This response has been jointly drafted by the Communication Workers Union and Connect who, between them, represent more than 90,000 members working at all levels across the UK telecommunications industry in more than thirty separate companies.
- 2. The CWU and Connect have consistently emphasised the need for regulation of the telecommunications sector to reflect the broader interests of citizens and we recognise the importance of Ofcom's remit in this regard. We therefore welcome Ofcom's decision to publish a discussion paper addressing precisely how it can seek to promote the interests of citizens.
- 3. Given the changes in the sector currently being brought by convergence, we agree that it is particularly important for Ofcom to address the ways in which the interests of citizens can be protected and promoted in the process. As the CWU stated in its response to Ofcom's draft annual plan, convergence clearly raises challenges for delivering broader public interest objectives, especially with respect to access to new digital platforms, and delivery of suitable content over those platforms.
- 4. Consequently, we regard Ofcom's objectives of encouraging innovation and investment, and promoting access to high quality communications services in all parts of the UK and to all user groups as extremely important areas of focus. Our view is that providing access to converged services for all UK citizens should be a priority for Ofcom, and this should include those with less market power such as people living in remote rural areas, those on low incomes and those with disabilities.
- 5. Convergence creates an integrated framework for access to multi-media services which can empower citizens in a number of ways: it facilitates interaction with family and friends and the carrying out of business activities at any given place or time. It gives citizens and consumers access to e-education, e-commerce, e-government, and entertainment services over the internet; it supports the knowledge economy and is a key driver of social cohesion and economic growth. One definition of a

perfect market is when all players in the market have access to the same information. Equally, restricted access to information due to an absence of broadband or a lack of higher speed broadband, impedes creation of the ideal conditions for consumers to make informed decisions. Social networking, blogging and other internet activities can contribute to a greater and broader concentration of social capital, promoting economic growth and voluntary and community activities.

- 6. Consequently, in acting in the broader public interest of all citizens, the need to avoid a digital divide and thus to promote digital inclusion is paramount. In understanding the challenges that convergence presents, it is important to reflect that nearly half of all UK households still do not have a broadband connection and many broadband subscribers do not receive their service at sufficient speed to support quality converged services, such as live television streaming.
- 7. This brings us on to the need to promote wider access to broadband, and to improve the quality of broadband provision through better and faster connections. The CWU and Connect have argued for several years now that broadband should be included within the scope of the Universal Service Obligation (USO) and that public intervention is required to enable this to happen. As broadband is delivered at ever greater speeds and becomes more pervasive, now with more than 50% take up amongst UK households, this aspiration becomes increasingly compelling and hard to ignore.
- 8. Access to affordable broadband communications services is now a prerequisite for full participation in the information society and broad engagement in economic activity. It is particularly important as a tool in education, and is becoming essential for those pursuing qualifications through distance learning courses, many of which use online conferencing and other high bandwidth interactive learning applications. It is also important for those with disabilities in facilitating social interaction and enabling easier access to goods and services, especially as people with disabilities are more likely to have restricted mobility or to be on a low income. More generally, those on low incomes and those living in remote rural areas also need access to affordable broadband services in order to fully participate in society and the economy.

- 9. We contend that citizen interests can be best served by public rather than private ownership, and that is why we believe that universal access to high speed broadband should be enabled by a publicly built and publicly owned fibre access network. We note that BERR's recently commissioned review led by Francesco Caio advised against any significant government intervention in the provision of Next Generation Access networks. However, it is encouraging to see that local government authorities, in particular in South Yorkshire with Digital Region and North Wales with Fibrespeed, are beginning to invest significant sums of public and EU money to build NGA networks in relatively deprived areas that have previously lacked broadband services. We would wish to see Ofcom and the Government stimulating and incentivising more local authorities and regional development agencies to invest public money in projects like these to bring affordable high speed broadband services to all citizens in all parts of the UK.
- 10. We welcome the continued emphasis Ofcom gives to promoting media literacy and the availability of easily usable apparatus, in order to promote the widest possible use of converged communication services. We also re-state our support for Ofcom's work on protecting citizens from harmful and offensive content, and protecting citizens and consumers from mis-selling and scams.
- 11. In addition, we continue to give strong support to the maintenance and development of universal services for people with disabilities. In particular, we welcome the review undertaken on behalf of Ofcom to examine ways of improving and building on text relay communication services, utilising the opportunities provided by technological development, for example through the development of video relay and captioned telephony. We look forward to concrete proposals being made in this regard.
- 12. More generally, we believe there is a need to promote technological fluency amongst consumers, which will drive demand for and use of communications technologies and optimise benefits for society. As stated in the CWU's response to Ofcom's draft annual plan for 2008-09, we believe Ofcom could achieve this by

promoting collaboration between telcos and educational establishments to develop e-skills courses and qualifications.

- 13. In order to maximise technological fluency and efficiency and thus maximise the benefits of developments in communications technology for society as a whole, we have stressed in a number of consultation documents our belief that the requirement for employers to provide training in the broadcasting sector should also now be applied to the telecommunications sector as the two sectors converge. Both consumers of converged services and workers within the industry would benefit from efforts to ensure that the workforce is properly trained to respond to the changing skill requirements of a converged communications environment. This would optimise both service delivery and workplace satisfaction. We acknowledge the recognition that Ofcom gave to this issue in its response to stakeholder comments on the Draft Annual Plan 2008/09. Whilst we accept that the issue is outside Ofcom's powers under the Act, we would ask Ofcom to bring it to the attention of Government, especially at a time when future revisions to communications legislation are being considered.
- 14. As the Ofcom discussion paper states, there are sometimes tensions between citizens' and consumers' interests. For example, making services available more widely for the benefit of society as a whole may mean that some consumers have to pay more for those services than might otherwise have been the case. This may be the case in relation to ensuring universal access to some converged services. The CWU and Connect acknowledge that difficult choices have to be made, but believe that in the long term the benefits to economic competitiveness as well as societal well-being, will outweigh the costs.
- 15. Moreover, as we stated in the CWU and Connect response to Ofcom's consultation on the Openreach pricing framework, we believe that all relevant costs need to be covered by pricing, and at the same time this needs to encourage innovation and incentivise timely and efficient investment in new infrastructure deployments. This would benefit consumers and citizens in the longer term, for example through increased investment to encourage development of next generation fibre super fast broadband services. This will be critical to UK competitiveness in a global economy

and a key driver of economic growth and social cohesion, bringing benefits to all citizens.

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