

## Applying spectrum pricing to the Maritime and Aeronautical sectors

Response to Ofcom Consultation October 2008

The Scottish Government (SG) is making this submission following concerns raised by the largely voluntary rescue communities for land and sea in Scotland.

- The SG recognises that UK Government Departments lead on the "reserved" policy aspects of aviation and maritime, yet have a major interest in the voluntary organisations who work with the emergency services in providing essential rescue capability on both land and sea.
- The SG works closely with the Mountain Rescue Committee of Scotland and has provided financial support to them in recent years to allow their essential infrastructure to be upgraded, and also pays for their radio channels used in the official Land SAR band plan.
- The Scottish Government believes that this is an instance where there is little if any efficiency gains to be generated by applying fees, for instance where there is no prospect of alternative use because of international restrictions. These are usually because of overriding safety requirements.
- The majority of radio use by the maritime and aviation sectors is governed by International regulation so no alternatives will exist in practice. The comment has also been made that the Ofcom proposals go beyond the proposals made in the "Cave" audit process.
- 5 Further, in aviation and maritime, the majority of users are private or voluntary sector transport and navigation providers, often constrained by international regulation or by co-ordination and safety requirements.
- There is a fundamental disquiet expressed about the principle of charging voluntary and charitable organisations in the manner proposed in these Ofcom proposals. There has been a noticeable public disquiet about the perceived injustice of the proposals.
- Voluntary organisations such as the RNLI are under pressure to maintain their existing 45 lifeboat stations in Scotland, and see proposed additional costs for radio licence fees as unacceptable.

- The extension of market and liberalisation of spectrum to the maritime and aviation sector is going to be unrealistic because it is needed to protect safety critical uses against interference and is largely regulated by international agreements.
- 9 Most of the spectrum used in aviation and maritime is licensed to private and voluntary sector users, it is not obvious how it could be traded and how spectrum could be released to the market.
- 10 The SG is unconvinced of either the justification for the proposals or the evidence base.
- Introducing market incentives in this sector in the UK only, where there is not yet firm support for market mechanisms either in Europe or among major international partners, is likely to disadvantage Scottish industry.

## **Summary and Conclusion**

The Scottish Government is concerned at the impact this could have on the important voluntary sector involved in safety of life operations in Scotland. The SG is reacting to the level of adverse comment expressed not only from stakeholders in the rescue sector but ordinary citizens concerned that essential services which they value and support may be put under more pressure by what is perceived by many as an additional and quite inappropriate "tax".

The SG urges Ofcom to exempt the essential charitable safety-of-life rescue organisations from the impact of the ubiquitous AIP.

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