

**The Future Digital Economy
Digital Content – Creation, Distribution and Access**

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**Presentation by Philip Bowyer, Deputy General Secretary, UNI
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Session 2: Broadband and digital content: Creativity, growth and employment

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UNI was created in 2000. I brought together four old organizations dating back 100 years from the communications industry, the printing and graphical sectors, media and entertainment, the IT, managerial, professional and finance sectors.

We brought them together in an historic merger to better face convergence and globalization. So we have a real interest in this debate. From the writers who provide the content, to the technicians and engineers who transmit those works in electronic or hard copy versions.

All of them – some 15 million around the world will be affected as workers and consumers by the issues to be debated here.

Today, given the time available, I want to touch on three of our main areas of concern:

- 1 regulation and the development of infrastructure
- 2 the need of the creative classes
- 3 jobs

The Conference Notes say:

“Next generation broadband via optical fibre is also growing rapidly and will bring even higher speeds.”

We believe this is a key technology in the digital revolution. Indeed more than 10 years ago, we were advocating investment to take quickly optical fibre networks to all households. Much as the earlier speaker, the Minister of Information from Korea said was done in his country. The network of the future was the name we gave it. Unfortunately, ten years later, in most parts of the world, it is still the network of the future.

For whatever reasons that was not pursued. Complicated regulatory frameworks and short term profit/shareholder value were given priority. Investment in Next Generation networks in Europe has been ponderous, mainly because the only companies in a position to commit to the necessary level of spending, the former national operators, could not see a fair return for their money.

The whole thrust of regulation for the last two or three decades has been to devise ways to cut their market share, exclude them from new markets and generally to tie the hands of the national telecom operators.

Fixed line services have had to live with many service obligations. “New IP based services (and companies) have had few, because of their “emerging market status”.

The regulatory route failed to give us the infrastructure. What is more, today there is limited competition in uneconomic areas and regions and virtually none on the fixed line infrastructure that will be needed to support high speed broadband services and the provision of digital content.

The key to ensuring success is the provision of affordable access to broadband as a universal service.

So there is a need for a real reassessment of regulation and how it could be framed to ensure provision of broadband as a universal service.

Although it is like wowing garlic in the face of Dracula, to tell economists this we need a new push by governments and public authorities.

If we have the pipes – many creative people will find ways to use them.

The provision of the best infrastructure, using and encouraging new technologies does not lead automatically to more or better quality content.

The quality of some of the new products is sometimes more of a nightmare than a dream.

That is of course unless you enjoy poring over blogs and blogcasts to find which ego is on display or what somebody had for dinner yesterday!! Perhaps blogs are at the stage of e-business before the bubble burst. Many will go to the wall but some will no doubt survive and prosper.

Creativity does not just happen. If we look to see centres of excellence in the past, we see creativity flourished in different and dissimilar places.

Hollywood and Bollywood, Cairo or Hong Kong places which superficially have little in common.

But they do.

They all have a high degree of freedom of expression or at least much higher than their immediate neighbours.

They are members of societies where artists and those who support them, technicians, crafts people, etc, are accorded a high status.

What may surprise some people is that these creative professions are amongst the most highly organized workers in their countries and indeed worldwide. And they are organized in unions even though many are free lancers, independent or have no full time regular employment status.

They are proud of their unions, guilds and associations and these have played an important role in training and retraining of workers.

Audiovisual industries also flourish where there is a respect for intellectual property rights. They are important for all the reasons mentioned by Rita Hayes from WIPO. But also do not forget for our members these are not vague rights but are their salaries and wages.

Far from being a blocking factor, intellectual property rights contribute to the sector; foster investment, growth and job creation.

Many of these characteristics of creative societies are under threat.

Self-imposed censorship by companies like Google or Yahoo is of great concern in terms of the erosion of freedom of expression.

Outside the centres mentioned, the diversification of production seems to be accompanied by active attempts to prevent self organization. This could in turn threaten joint structures for building and updating skills.

New technology does allow easier production and distribution.

The UK film director Ken Russel recently stated that has made a short film called “Braveheart meets the Loch Ness Monster”. I cost \$ 100 and he hopes to make a huge profit just from downloading from internet.

But is that really the future for films and entertainment that we want.

If we want something more, we have always to:

- 1 protect freedom of expression
- 2 protect freedom of association for creative workers
- 3 ensure training and retraining of professionals
- 4 maintain intellectual property rights and collection of payments to bring investment
- 5 entertainment producers and distributors over internet have to ensure distribution through legal means and avoid piracy.

Finally on jobs, I would like to say two things.

Everybody agrees on the need for training and retraining, and up-grading of skills to make sure that workers can take up new job opportunities. Everybody agrees but few want to pay for such training in practice.

This has to be addressed. It does not happen automatically.

Finally, if we are serious in bringing all stakeholders to join forces to succeed in this technological change, we have to be honest about employment.

We are fed up of being told that xy and z changes are necessary and if we, the unions, accept millions of jobs will be created. If we do not, disaster.

Eurostar recently admitted “while deregulation and privatization have lead to global growth of (telecoms) rationalization of activities has offset the positive effects on employment.

So UNI advocates strongly that OECD and others should seriously examine the effects on employment of technological and regulatory changes.