

# Speech: Jeremy Wright's speech at the Enders Conference

Good afternoon everyone and thank you the invitation to come and speak here today.

I often talk about DCMS as being a department that is all about the things that connect us.

Like the ties of civil society that bind us and the culture, sport and heritage that brings our nation together.

These connections of course include our world class media. Media that gives us all shared experiences and inspires and informs us every day.

And of course, I don't need to tell you, the digital infrastructure that is needed to power our growth as a digital economy.

It is a crucial time for these industries.

In recent years, we have seen new technologies emerge, new firms entering the market and consumer habits changing beyond recognition.

This also presents a range of new challenges for policymakers.

How can we make sure that public service broadcasters remain valued and relevant?

How can we incentivise the type of content that underpins a healthy democracy and society?

And how can we make sure we have the right digital infrastructure to support the digital pioneers who can make this country a better place?

So today, I want to outline three areas I see as crucially important if we are to keep forging the connections that are so important for a well informed and prosperous nation.

## **Supporting domestic broadcasters**

The first is supporting the UK media in a landscape that is increasingly competitive.

There has been a lot of discussion about print media in recent weeks, especially after the publication of the Cairncross Review into high quality journalism.

So today I wanted to talk about our broadcasters, another part of our media that has undergone massive changes I know that you have been discussing this morning.

Traditional TV set viewing of broadcast channels is declining at an increasing rate, with a 5 per cent decline year-on-year in 2018. And for under 25's the figure has fallen by half since 2010.

Even in the midst of this seismic change, our broadcasters remain powerful forces for good at home.

PSBs work for the public benefit to foster shared experiences, stimulate learning and inspire change.

The very nature of our PSBs means they perform services that are in our national interest.

For example ITV's regional news coverage and Channel 4 driving the growth of the sector outside London, including through setting up their national HQ in Leeds.

And they are making a huge impact across the globe too, with hit shows like Sherlock, Planet Earth and Victoria being sold to over 180 territories worldwide.

And of course these PSBs are joined by other diverse and creative broadcasters who share many of their essential values.

Sky and Sky News are a very strong example of this and I am sure you will hear more about their work from Jeremy Darroch a little later.

We must recognise that while global competition and the opening of markets has been beneficial, it has also created tough challenges for traditional broadcasters.

And we must not lose the good that public service broadcasting can do and the impact it makes on our society, our economy, and our standing around the world.

That is why the Government asked Ofcom to look at prominence.

It is vital that our regulatory environment adapts with the market and audience expectations.

And that means ensuring that public service content can be found easily on different platforms and within PSBs' on-demand offerings.

There is no point having prominence rules that relate to how material used to be viewed, rather than how it is viewed today and how it will increasingly be used – from smart TVs to voice control.

And we will consider Ofcom's report carefully when it is published, and if they make legislative recommendations we will look at taking them forward.

But there is also a need to look more broadly at how we can strengthen the foundations that support public service programming.

An example of Government taking a new approach is through the new pilot Contestable Fund.

This will provide up to 57 million pounds for new, UK originated children's content, with a further fund of up to three million pounds for public service radio programming.

This will test a new way of helping emerging British talent reach UK audiences.

The fund is on track to be launched on the 1st April and I would encourage all eligible broadcasters and producers to engage with it.

Of course, on the subject of things scheduled to happen around this time, Brexit.

I realise it has not been an easy period and like all businesses, you are looking for certainty.

And I will do everything I can to seek the best possible arrangements for broadcasters over the coming months.

We have already confirmed that EU exit will not have any direct impact on creative sector tax reliefs.

And that in the event of no deal, the Government will underwrite the payment of awards made before exit day, for programmes like Creative Europe.

And last month, we reaffirmed our commitment to EU co-production by signing the revised Council of Europe's Convention on Cinematographic Co Production.

I am passionate about creating the best possible conditions for this vital industry to thrive. But we accept that as a Government we do not have all the answers.

I have been heartened to see the work that broadcasters have been doing to form partnerships to achieve greater reach and impact.

Last week, both BBC and ITV announced their plan to launch a new Britbox service.

I am pleased to see the BBC and ITV bringing forward an ambitious proposal and I look forward to seeing more detail on this service as it develops.

I see partnerships like these as a part of a competitive and highly creative future for the sector.

### **Level playing field**

In pursuit of that bright future, the second topic I want to discuss today is a level playing field.

The UK rightly prides itself on its world-leading broadcast regulation that allows for free speech and innovation whilst protecting consumers. It is

vital we have effective regulation for digital content too.

The Government will soon be publishing a White Paper on Online Harms, which will set out clear expectations for companies, focusing most directly on those harms which present the gravest threat to user safety.

But beyond the White Paper, we must also make sure that our concept of broadcasting, and our policies towards it, recognise and reflect the growing impact of the digital world.

We all know the likes of Netflix and Amazon Prime are now an established part of our media landscape and we will soon see other players entering too.

Viewers clearly welcome their presence here and they have made a substantial investment..

Netflix reported that it made 40 productions in the UK last year. It has also made important investments in talent, through training schemes and production initiatives.

They are increasing their UK presence and engagement which is great news for our creative industries and for viewers.

And it's not mutually exclusive to have a thriving PSB system and a thriving SVoD [subscription video-on-demand – pron: es-vod] world.

But as the SVoD landscape develops, we do need to understand what this means for UK broadcasters and UK audiences.

Our regulation of broadcasters is widely appreciated – including by audiences – for its robustness and effectiveness, and it sets the framework for much of the cultural and economic benefit that we so value.

It provides crucial consumer protections, especially with regard to harmful and inaccurate content, which plays an important role in ensuring trust in our broadcasters.

But for relatively new on demand platforms, rules are in many areas not as robust.

We place high expectations on our public service broadcasters to reflect and represent the full diversity of the UK's nations and regions, and in doing so creating a product that often appeals across the globe.

On-demand platforms undoubtedly have global appeal. But it is worth thinking about how we can encourage them to develop in a way that means the content produced here truly reflects UK audiences.

Otherwise there are risks that audiences become more reliant on content that feels, as Sir Peter Bazalgette said recently, "curiously stateless".

These changes are something we will consider carefully as the sector changes rapidly.

Another area where there may not be a level playing field is advertising.

I announced last month that my department will be conducting a review of how online advertising is regulated, and my officials are now scoping out how to take this work forward.

Equity between the regulated broadcast world and currently unregulated online world will also be an important part of our consultation which will be published shortly – on potential advertising restrictions for high fat salt and sugar products.

The consultation will look at online restrictions as well as those for TV. We will make the decision solely based on the evidence and the proportionality of impact.

This distinction between online and offline is one of the most important policy questions of our time, and it applies to areas far beyond broadcasting.

I went to California a few weeks ago to meet leaders of many of the world's biggest technology firms.

And I was clear that while we are very supportive of technology and innovation, we need to see technology companies doing more to face up to their responsibilities in this area.

There is some important work underway. Only today we saw the conclusion of a joint US-UK challenge event on disinformation.

This gave tech companies who are developing solutions the opportunity to demonstrate their products to a government audience.

But as more and more of our content, and public conversations, move online, we will need robust and democratic frameworks to help us find the right path.

This is not a move against technology; this is recognition that technology plays a huge part in our lives, with all the good it brings.

But it brings challenges too and a responsive and responsible Government must address them.

This is not an easy task but we all have a stake in getting this right and I'm looking forward to working with you all to do so.

## **Telecoms**

And finally, I wanted to talk about another form of forging connections – economic connections through our digital infrastructure.

The UK has a strong digital economy. But to maintain our global position – and be ready for the future – we need to invest now and at scale in the latest technologies.

There is a real opportunity for the UK to become a world leader in digital connectivity – increasing our competitiveness, boosting productivity and meeting the future demands of consumers and businesses.

And we have ambitions in this area to make sure as many people as possible get the benefits, whether they live in urban centres or rural communities.

These ambitions were set out in the Government's recent Future Telecoms Infrastructure Review, that sets out a long-term, national strategy for the UK.

We want to see 15 million premises connected to full fibre by 2025, with coverage across all parts of the country by 2033.

We want to make sure 95 per cent of the country has good mobile coverage.

And we want the UK to be a world leader in 5G, a new age of wireless connectivity that will open up important new areas of growth for our economy.

We have seen significant progress in recent months, with industry taking a leading role.

The availability of full fibre in the UK is now increasing rapidly – spurred by network competition. A million premises received full fibre over the last year.

But the UK still lags behind many of our peers, with only 6 per cent availability.

Mobile coverage has markedly improved – but too many parts of the country still have poor reception.

A strong, competitive telecoms market is the best way of delivering our ambitions.

As a Government we are working to create the best possible conditions to support the large-scale commercial investment we need.

Our barrier busting measures – such as our planned legislation to make sure telecoms services can be installed more easily – will reduce the cost of building fibre and mobile networks.

Our Statement of Strategic Priorities for Ofcom is clear that stable, long-term regulation will be necessary to incentivise network investment – and ensure fair and effective competition.

Our publicly funded Rural Gigabit Connectivity programme will launch in Spring to trial new approaches to fibre deployment in hard-to-reach areas.

And we are spending 200 million pounds on a programme of 5G trials to put the UK at the cutting edge of this new technology.

So a lot is being done – by the market and by Government. But there is a lot

still to do.

There is an issue with customer satisfaction in many parts of the industry, as we set out in the recent Statement of Strategic Priorities for Ofcom.

This Government is committed to working with Ofcom and the CMA to safeguard the interests of telecoms consumers, including the vulnerable and less engaged.

More needs to be done to clamp down on harmful business practices and make it easier for customers to switch networks.

And we need to see more on coverage too.

It's time to make seeing "no signal" on your screen a thing of the past.

Ofcom's proposed spectrum auction will make important further progress towards that 95 per cent target.

But the Mobile Network Operators must also show leadership in this area and I am calling on them to respond to this challenge.

I want to see new innovative ideas from industry to deliver widespread, high quality coverage.

And if necessary, we will consider every single tool that we and Ofcom have in the policy and regulatory toolbox in order to achieve that 95 per cent goal.

It is essential that the UK has the telecoms infrastructure to meet the growing demands of consumers and businesses. And promote the benefits of connectivity across the whole of the UK.

These are the opportunities that we need to seize, if we are to build on our world leading digital economy.

Our future prosperity and future productivity depends on it.

## **Conclusion**

This is a very important conference, bringing together our creators and our innovators are what make our country great. And you are all doing crucial work to make life better, easier and more fulfilling for so many people.

A vibrant media means a vibrant democracy.

And strong infrastructure means a strong nation.

And we must have both.

Thank you very much.