

News Release

Scotland falling behind in “knowledge revolution”

Strictly embargoed until: 00.01am on Tuesday 29 January 2002

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Scotland is falling behind in the “knowledge revolution,” warns the Scottish Consumer Council which is calling for action on a range of issues to redress the situation.

In a major report published today the SCC says that just under a quarter of Scots have access to the Internet, compared with more than a third in the UK. The growth rate of Internet access in Scotland is also considerably slower resulting in an widening gap with the rest of the UK.

The report also highlights problems with access to the latest telephone-based communications systems, particularly in rural and remote parts of Scotland. It warns as well that many Scots could miss out on broadband technology which allows high speed Internet access by carrying large amounts of data quickly.

The report entitled “Reaching Out: The consumer perspective on communications in Scotland” says that action is needed to improve basic infrastructure in Scotland to make the new technologies accessible to all Scots.

Communications technologies are changing the way we live. There are already considerable advantages for consumers in using the Internet. Some of the best saving rates, most favourable insurance deals and cheapest holidays are only available on the Internet, in addition to the wealth of information on a wide variety of topics.

“Access to an effective communications market is an economic and social lifeline and a necessity if people are to participate in modern society,” says the report. “The knowledge economy is the key to improving access to education and employment opportunities, the delivery of services and the subsequent injection of life into local economies. Having the infrastructure to make this happen at the right time will be crucial.”

However the SCC is not confident about Scotland's ability to make the most of these opportunities. "Overall our evidence suggests that the knowledge revolution is having less of an impact in Scotland than it is in most of the UK and that consumers are finding it harder to exploit the new technologies." Those who are already disadvantaged may have the most to lose, adds the report. "The irony of the information society is that disadvantaged consumers who cannot afford to access the new technology face further marginalisation."

The telephone system is less well developed in Scotland than the rest of the UK. The market is dominated by BT, many parts of Scotland only have access to lines which can carry data at slow speeds and cable services and mobile coverage do not extend to all parts of Scotland. The report says this is a "worrying baseline" and adds that the essentials have to be in place if Scotland is to benefit from the communications revolution.

It calls on Oftel to take action to develop the telephone communications market in Scotland to ensure universal access to affordable services. That should include a public awareness campaign to highlight the choices available from different suppliers. The report also calls for a new requirement on telephone companies to disclose price information in a standardised format to make comparisons between companies easier for consumers.

The SCC believes the Government's promise of achieving universal Internet access by 2005 will be harder to achieve in Scotland than in the rest of the UK because of the slower rate of growth. It wants the Government to define what it means by "universal access" which could involve just giving people access to a terminal in a nearby library or community centre. However, the SCC says universal access must mean access in the home and adds that the promotion of such access through digital television should be a key part of the Scottish Executive strategy. The report also calls for meaningful targets and performance indicators to be introduced for Internet access. The initial target should be to get the growth rate in Scotland equal to that in the rest of the UK.

The SCC says the effective and immediate roll out of broadband technology is of crucial social and economic importance to Scotland. The Scottish Executive's own view is that "societies and economies which respond vigorously to the opportunities which digital technologies bring are likely to be more prosperous and inclusive than those which are slow to respond."

However, again Scotland has problems. Current broadband provision is patchy and the infrastructure in remote and rural areas is inadequate to support its extension. The Scottish Executive is planning to provide support to such areas in the hope of stimulating the private sector to complete the roll-out of broadband technology. The SCC welcomes the Executive's pro-active strategy but remains concerned that consumers are being left at the mercy of complex market forces and in the middle of a debate between the Government and industry over who will kick-start the roll out and how.

The report also expresses concern that the broadband strategy is being addressed in isolation. "Broadband will mean nothing to consumers who can't take advantage of a competitive market in telephone communications, who can't or don't know how to

access the Internet at home and who can't access public services without going to a public terminal."

The future of broadcasting is also addressed in the report which calls for Scottish television viewers to be provided with a national peak time news programme that provides a Scottish perspective on UK, European and international issues.

The SCC says the decision taken by the BBC Governors in 1999 to reject such a programme - known then as the Scottish Six - questions the BBC's accountability in Scotland.

"It is the duty of public service broadcasting to provide an open and balanced public debate and to act as the main forum within which society discusses its disagreements," says the report. "It is difficult to reconcile these tasks within the level of devolved journalism so far offered by the BBC and the commercial public service broadcasters."

The SCC says there should be a statutory requirement for Scotland to have a devolved peak time news programme providing a Scottish perspective on issues both at home and overseas. It says the fact that people support a selection of Scottish national daily and Sunday newspapers is proof of demand for news produced and edited in Scotland that reflects a Scottish agenda and a Scottish perspective on the world.

The chairman of the SCC, Graeme Millar said: "The knowledge revolution may be as important to Scotland's future in the 21st century as the industrial revolution was in the 19th century. We need to be in a position to take advantage of the opportunities that are opening up but, unfortunately, we have found that there are still basic issues in Scotland that need to be addressed. The infrastructure in many of our communities is inadequate to support these new technologies. There is also a real concern that individuals already disadvantaged because of low incomes could be excluded from sharing in the potential benefits of these technological changes if there are obstacles to their participation. This is a particular problem in Scotland which has some of the most deprived communities in Europe.

"We hope our report will help to focus attention on these issues and make Scotland better prepared to approach the future with confidence."

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About the SCC:

The purpose of the SCC is to make all consumers matter. It does this by putting forward the consumer interest, particularly that of disadvantaged groups in society, by researching, campaigning and working with those who can make a difference to achieve beneficial change.