

## Labour's proposal to roll-out free full fibre broadband – your questions answered

### How did the proposal come about?

The CWU has longstanding policy for public ownership in the telecoms industry because the current model is not delivering for workers or the country. We see problems in the workplace such as two-tier terms and conditions, outsourcing, unpaid travel time, the threat of compulsory redundancy, and more. The UK is also lagging way behind on broadband with just 8% full fibre coverage compared to 98% in Japan and South Korea. The current model is holding us back and we have therefore called for change and worked with Labour on a proposal that will deliver for members and rollout the network the country needs.

### What is being proposed?

There would be significant investment, creating thousands of good new jobs and raising employment standards, to build a full fibre broadband network connecting every home and business over a decade. It would bring much of BT – and the whole of its network – into a new organisation, British Broadband, which would be in public ownership with workers' voice at the heart of how it is run, to roll this out and provide a world class full-fibre broadband service for free to everyone in the country. This would be funded through a new tax on tech giants like Amazon and Facebook and deliver huge economic benefits for the UK.

### What parts of BT are covered by the proposal?

All parts of BT that support and manage its network would be kept together and form the new organisation. This means Openreach and the bulk of other parts such as BT Technology, BT Consumer and BT Enterprise. It would not include EE, which operates its own mobile service, BT Global Services or BT TV. If Labour is elected, the government would sit down with workers and the CWU to shape the final details and to ensure jobs in businesses like EE are sustainable for the future. There are also parts of BT e.g. Voice Services, Security, that are not involved in broadband that we would ensure are included in the new organisation.

### Why would this be better for workers in BT?

In the past decade alone we have seen cuts to pensions, the introduction of two-tier terms and conditions, outsourcing, unpaid travel time, unfair use of performance management, thousands of agency workers brought into Consumer and Enterprise, and now hundreds of our members threatened with compulsory redundancy. This is all happens because BT has to pay out billions of pounds in dividends every year in private ownership and because it is being undercut by low cost competitors. We believe there is a better way of running things.

The new model we are putting forward would get rid of private shareholders and dividend payments, deliver massive funding for the new organisation to rollout fibre with the highest service and health and safety standards and it would remove the need for low-cost competition.

In the new organisation workers and the union would be involved in decision making at every level and in setting strategy for the future, not some distant board with no connection to the frontline. Our industrial agreements would be upheld and collective bargaining would be at the heart of every decision about you. This would immediately remove the threat of compulsory redundancy and end the use of agency work and make positive harmonisation of terms and conditions and ending unpaid travel time key priorities.

### **What about employee shares in BT?**

No worker in BT will be left worse off and the value of employee shares would be protected. Shares could be exchanged for government bonds (a secure long-term investment with an annual interest payment) or a cash sum. Workers would be better served in a publicly owned company, with better access and bargaining rights for trade unions.

### **What about the BT pension scheme?**

Labour have committed to safeguarding or improving pensions and to preserving the Crown guarantee already in place for the BTPS. We would make improving pensions a priority of collective bargaining.

### **What about outsourcing?**

Outsourcing would end in the new body with all agency insourced. This ends undercutting of permanent staff and raises employment and service standards across the board.

### **How would this be paid for?**

The government would invest the costs to rollout the full fibre network upfront and the ongoing costs of providing a world class full fibre broadband service would be met from a tax on tech-giants like Amazon which currently keep their money offshore. This means businesses that benefit from broadband pay their fair share for infrastructure they benefit from. Rolling out a full fibre network to every home and small business also helps deliver growth across the UK and would have massive benefits to the economy from raising productivity.

Ultimately, the plan to have just one full fibre network is cheaper for the country as a whole. Under the current government's plans the most profitable inner-city areas would have as many as three competing networks – it's ultimately ordinary people and small businesses who pay for that through their bills.

### **What will happen to other networks and operators?**

Of the 8% of the country that is covered by full fibre only about 3% is from other operators. It is likely that this would also be brought into the new national network. Virgin has a cable network based on old technology and a Labour government would need to address what should happen with this.

The Labour manifesto has a very clear jobs guarantee for all those working in the broadband industry, including other ISPs, in both retail and infrastructure jobs and the new organisation would require thousands of additional workers in good secure jobs to rollout, maintain and provide the service. We have secured this commitment as an opportunity to end low cost agency work that providers like Virgin heavily rely on.

### **How will CWU members have a say over what happens?**

We have had policy on public ownership for over 20 years that is voted on by branches at Conference. This was reaffirmed in both 2018 and 2019 and if Labour is elected the union and members will have a central role in designing and finalising the detail of the plans.

### **What about members in EE or other parts of BT not included in the new body?**

The CWU will continue to represent all telecoms members and fight to protect and enhance jobs and terms and conditions. The proposals start to shift the industry away from low cost employment models and a Labour government would also introduce collective bargaining to set higher minimum employment standards across the telecoms sector and ban insecure employment practices (like low cost agency work or zero hours contracts).