General Election 2019 – Internet Association Manifesto

Introduction

Internet Association (IA) represents over 40 of the world's leading internet companies. We are the only trade association that exclusively represents leading global internet companies on matters of public policy. IA's mission is to foster innovation, promote economic growth, and empower people through the free and open internet – in November 2018 IA established a London office to constructively engage in the internet public policy debate in the UK.

The internet is now an integral part of everyday life and often a powerful force for good. It makes a substantial economic contribution to the UK, and internet innovation has the potential to transform society for the better. Most importantly, internet companies provide people with great products and services. Recent IA polling found that 82 percent of British people believe that the internet had "made their lives easier and more enjoyable."

We believe that the internet sector can be a vital growth-driver post-Brexit. The internet is an economic engine and, in the right policy environment, will drive prosperity throughout the 21st century. Fast-growing UK tech companies secured a record £5.5bn in foreign investment in the first seven months of 2019 – outpacing the U.S. for investment per capita. IA economic analysis shows that the UK internet industry contributes approximately 400,000 jobs, 80,000 enterprises (businesses), and £45 billion in Gross Value Added to the UK's Gross Domestic Product (GDP).

The internet sector wants to deliver this growth and drive future prosperity in the UK. We want to work with the government to boost digital skills, improve productivity, nurture small businesses, invest in the UK economy, use tech to improve public services, and provide products and services that people love. Internet companies will do their best to compete and deliver these benefits. But government policy can play a key role in super-charging this contribution, and in this document IA suggests a number of policy initiatives that it hopes all UK political parties can get behind to help enhance the internet sector's positive impact in the UK.

Before looking at specific policy ideas, first and foremost we call on policymakers to actively engage with business as a partner. We believe that there is a brilliant opportunity for the government and industry to work together to deliver huge benefits to the economy and society in the UK – and internet companies are committed to playing their part.

Five Point Plan

Here we set out a five point IA plan for how policymakers can help grow the internet sector's contribution in the UK:

1/ Improve digital skills across the entire population

- The benefits of the internet will only be maximised if British people have the digital skills to thrive. It is vital that industry and government work together to provide a lifelong education system that enables people to prosper in the digital economy.
- Improve digital skills in schools – *the government should do more to embed computer science*

subjects into the curriculum, by making the teaching of coding in schools standard, for example.

- Improve digital inclusion – *the government should ensure that all parts of society are able to participate and thrive in the digital economy*. Scotland's [Digital Participation Charter](#) provides a good model for industry, government, and civil society collaboration to teach people digital skills.
- Enable more high-skilled immigration – alongside home-grown talent, there is an important role for the brightest overseas talent to help grow the UK tech sector. To reflect the reality of business needs, *the Start-up visa system should be expanded to senior leadership roles including CTOs, COOs, and CMOs. The government should also support more Tier 2 visas for IT skill shortages*.

2/ Support take-up of technology by SMEs

- Britain's small- and medium-sized businesses (SMEs) want to embrace the opportunities afforded by the internet. Firms with an e-commerce function can expect to see sales increase at a faster rate than firms that do not trade online. However a third of SMEs don't have a website, and forty per cent of sole traders have "low digital capability".
- *The government should encourage faster adoption of digital technology across the entire economy to boost productivity and encourage innovation*.
- *The government should consider how funds from the Apprenticeship Levy can be used to help upskill SMEs to help them grow*.
- Smaller companies and start-ups find it harder to absorb the fixed costs of regulation and administrative systems. *The government should undertake a review on current rules and red tape to assess where changes could be made to boost SME growth potential*.

3/ Increase investment in innovation

- The government should support innovation. The previous government's Industrial Strategy set the goal of making the UK the most innovative country in the world by 2030. This is a positive step – but we now need to see progress on making that a reality.
- The UK spends 1.69% of GDP on R&D, which is below the EU's provisional estimate of 2.07%. R&D tax incentives have proven a successful tool to date, and *the government should increase the amount companies can spend on R&D tax free in order to encourage digital investment and innovation*.

4/ Enhance digital citizenship

- *The government should promote a wide-ranging approach to education on digital citizenship (including literacy and civility) – working in partnership with industry*.
- Internet companies have launched a range of digital civility and digital literacy programmes in the past five years, which have helped children and parents stay safe online. *The government should develop advice for industry on how digital literacy programmes can have the highest impact*.
- The expectations for behaviour online should be the same as for behaviour offline. We believe that public institutions have a key role to play in establishing those norms, and *the government should provide online citizenship education through PSHE lessons in schools*. Internet companies can also play an important role in these initiatives.

5/ Champion digital trade

- As a leading digital economy, the UK already attracts significant levels of foreign investment (UK tech companies attracted a record £5.5bn in foreign investment in the first seven months of 2019), and the internet enables British businesses to export globally in a way that was previously unthinkable when trade was more restricted.
- Open digital trade – and data flows in particular – will be vital for the UK in future. Companies use data like they use intermediate goods and services – as a critical input in operations and production processes that produce new insights and solutions and improve business processes and products – and it is vital that data flows freely.
- *Any future free trade agreements between the UK and the rest of the world should have strong digital provisions that enable cross-border data flows, encourage vibrant e-commerce markets, and facilitate digital exports*.

Concluding Comments

We are firm believers in the benefits that technology brings to everyday life and the economy, and for the potential that internet innovation has to transform society for the better. We also believe that internet companies have a critical role to play in engaging with policy debates, being open and transparent, and working with government and civil society. So beyond the policy agenda set out above, internet companies are committed to working with government to get the regulatory environment for the internet right in the UK, to ensure that any further regulation is proportionate, risk-based and preserves freedom of expression and the open internet that benefits consumers, the economy and society in the UK.

Internet Association
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