

Date: Thursday 4 November 2004
Time: 2.00pm
Venue: Committee Room 3 & 4, National Assembly for Wales

Ofcom Review of Public Service Broadcasting, Phase 2

Report to the Culture, Welsh Language and Sport Committee

From The National Union of Journalists

Abstract.

Ofcom proposes the phasing out of many programmes made by ITV in and for the nations and regions of the UK. The plans, if applied to Wales, could leave viewers with a single choice of Welsh television news: the BBC. They would also destroy large numbers of jobs and reduce the visibility of Wales and Welsh identities on our screens. The NUJ believes this is bad for viewers, undermines democracy and hampers the growth of Welsh economic, social and cultural life. Instead we propose a solution that maintains and strengthens existing programming while fully engaging in technological change. The proposals are designed to build on established strengths and our cultural heritage to enable Wales to be a pioneer and leader in public service broadcasting – not the victim of an ill thought out variation of plans for the English regions.

Introduction.

The Committee has heard oral evidence from Ofcom and read its report "Maintaining Public Service Broadcasting in the Digital Age." This sets out Ofcom's proposals for the future of such programming and its plans to ensure that viewers' interests are protected.

The NUJ welcomes the opportunity to engage, positively in such discussions. But we believe that the current proposals wholly fail in Ofcom's duty to 'maintain and strengthen' such programming in the nations and regions. In particular, the proposals will allow ITV to halve the numbers of hours of non-news programming in the English regions from early in the New Year. Within a few years, regional news would only be required 'if financially sustainable.' Several leading commentators suggest that this will permit the scrapping of ALL ITV programming from and for the nations and regions.

Ofcom has yet to reveal its proposals for Wales and the other nations. But despite acknowledging that Wales has a distinctive cultural identity that needs to be recognised, it also argues that the economic

issues are the same as in the English regions.

It has proposed a 'Public Service Publisher', to ensure that viewers still have a choice of sources for such programming. But it has shown little enthusiasm for suggestions that there should be a separate publisher for Wales. Furthermore, it is allowing the decline of existing programmes, jobs and creative centres across the nations and regions almost immediately, even though it might be several years before the new Public Service Publisher is in place.

If applied here, the cuts could mean the destruction of fifty years of programme making by ITV in Wales, the loss of 200 jobs, the end of £10 million spent every year on programming, a severe knock to the independent programme making sector and, as one of your own members has noted, a greater chance that, without competition, programmes from BBC Wales will also suffer.

An alternative way forward

Ofcom has deliberately delayed an announcement of its plans for Wales and the other nations to allow further debate. But in its rush to encourage a digital, interactive, technological revolution it is in danger of throwing the baby out with the bathwater. In particular it pays insufficient regard to what Welsh viewers say they value highly: Welsh identity reflected in the programmes themselves. The NUJ therefore proposes the following measures.

1. Ofcom should do nothing that reduces the amount of choice currently available for viewers seeking programmes made in Wales, for Wales.
2. In particular, ITV Wales should continue to broadcast 10 hours of programmes a week until such time as alternative supplies of properly funded, free to air, Wales-wide public service programming made in Wales, for Wales become available. Only then should Ofcom consider itself as being in a position to review the number of hours while honouring its duty to 'maintain and strengthen' broadcasting.
3. ITV Wales should review its contribution to public service broadcasting in Wales to ensure that it develops and promotes a distinctive voice that serves the interest of viewers, in keeping with its commercial background and audience profile.
4. Those programmes should be properly funded, scheduled and promoted to ensure that their public service values are maximised for the benefit of viewers in Wales.
5. Ofcom should work with ITV to develop a fair and sustainable financial settlement that takes into account the additional burdens proposed for Wales.
6. Ofcom should remove the proposed clause in its PSB, phase 2 report which suggests that news in the nations and regions will only be required 'if financially sustainable'.
7. Ofcom should work with ITV Wales, S4C, BBC Wales, independent programme makers, Assembly bodies and other interested parties to develop a plan to ensure that Welsh viewers have a range of programme suppliers going into the digital age.
8. The NUJ has grave reservations about the achievability of Ofcom's proposals for a Public Service Publisher that would act as an alternative supplier of programming to the BBC. This

competition and choice is already provided by ITV. It is uniquely placed to deliver the Welsh (and UK) element of PSB programming. It was set up as a regional/national broadcaster, has a highly developed infrastructure of broadcast centres across the United Kingdom and, with the correct regulatory approach, could deliver quality PSB in Wales and other parts of the UK.

9. We do, however recognise that ITV also faces substantial economic pressure on providing those services in the Nations and regions as we enter the digital age. Our preferred method for financing this obligation, before and after digital switchover, is a levy system. This would require all commercial broadcasters to contribute to PSB either by paying a levy on turnover or providing a range of specific PSB commitments (in return for a levy exemption), or possibly a combination of both. The levy would provide the economic model for organisations such as ITV to provide significant PSB programming, including programming for the nations and regions, thus fulfilling Ofcom's requirement to "maintain and strengthen" PSB. There are a number of ways in which a levy could operate. In order to assist new entrants and relatively small organisations there should be a sliding scale of contribution, with the stronger players contributing more than those less able.
10. Ofcom's proposal for a Public Service Publisher should, if it overcomes the considerable legislative, structural and practical hurdles, also include a separate Public Service Publisher for Wales in recognition of the devolved nature of much Welsh public life and to counteract the centralisation of existing media structures.
11. All parties should work together to ensure that new broadcast and Internet technologies are harnessed to provide platforms that reflect and encourage the growth of a distinctive Welsh social, cultural and linguistic heritage at home and a greater visibility of that identity across the UK and the wider world.
12. The National Assembly, while recognising that broadcasting in itself is not a devolved matter, should seize the benefits offered by the convergence of digital technologies. This can allow the integration of Assembly supported work in broadband and other technologies with the new opportunities available in television to promote democratic debate and economic benefits for Wales as a whole.

Other Welsh broadcasters

This short report addresses issues from the starting point of the threat currently facing ITV Wales. But members will be fully aware of the discussion currently ongoing about the future of S4C. Any substantial reduction of jobs at ITV Wales could undermine the economic viability of ITV Wales staff who produce programmes for S4C. You will also recognise the many financial challenges facing BBC Wales and the struggles that they have had in seeking to develop distinctive services for Wales. You have been reminded at an earlier hearing that London daily newspapers account for 85% of sales in Wales. None of those papers employs dedicated Welsh correspondents. Only eight per cent of Welsh households see one of the two Welsh based morning newspapers. UK-wide TV news rarely acknowledges the impact of devolution and all too often assumes that English policy applies here as well. It is in this context that the NUJ urges the Assembly to take decisive action in ensuring that Wales remains a visible and vibrant presence on our screens and that its presence grows and is not diminished in the digital age.

Conclusion

Ofcom's proposals open the way to a radically different broadcasting environment. They spell out the great change facing viewers and media workers alike. The NUJ believes that they can also offer great advantages to a distinct community such as Wales. But this will only happen if Wales develops a plan that builds on what already exists. We should not destroy a model of competition and choice that has served the Welsh viewer well for the last half century in the hope of some digital dividend in the future.

Finally, there is the issue of timing. Nobody should assume that these changes would only be introduced with the ending of the final UK analogue broadcasts in 2012. Cuts in non-news programming could begin early next year. ITV Wales news programmes could – under Ofcom's current proposals – be axed as soon as analogue broadcasts are ended here. That might be in less than five years.

That is why Wales has to begin planning now. The National Assembly can start by ensuring that its wishes are reflected in the terms of the new Digital Replacement Licences that Ofcom is currently discussing with ITV for introduction from the New Year. Members, and the Welsh Assembly Government will also wish to make their views known in Ofcom's PSB phase 2 review before the deadline for submissions: November 24th.