

# Broadcasting in Wales II

*Discussion Paper*

**S4C Review:  
An opportunity to  
devolve broadcasting  
to Wales**



CYMDEITHAS YR IAITH GYMRAEG

# “Broadcasting in Wales II” - Discussion Paper

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An opportunity to devolve  
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## Introduction

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A review of S4C will be carried out this year and it is fair to say that this represents a very rare opportunity to look closely at the details of the broadcasting industry in Wales. In addition, a Welsh Office Minister has stated that this is an opportunity to consider the devolution of broadcasting, saying that such a discussion is 'inevitable' in conducting the review.

Cymdeithas' policy booklet 'Broadcasting in Wales', published in 1970, called for a Welsh language radio station and a Welsh language television channel to be established (Appendix 1), and it took over a decade to achieve these two aims. In addition, establishing an English language television channel and radio station for Wales was one of the developments we called for back in 1970.

However, that campaign began with the call for an 'Independent Broadcasting Authority for Wales' with 'complete authority over broadcasting in Wales.' Looking to the review of S4C, we believe that it is an appropriate time to revisit these concepts, whilst also considering what additional measures are needed in view of the major technological advances that have been made recently.

Now that we have a devolved Assembly in Wales, there is an opportunity to create laws which can be of direct benefit to the Welsh language, to the economy and to democracy.

The case for devolving broadcasting is a very strong one. Broadcasting has been devolved in other countries - the Basque Country and Catalonia amongst others - and these powers have been used to benefit their respective languages.

The Silk Commission cross-party committee, established by the UK Government itself, found that 60% of the people of Wales were in favour of devolving broadcasting in its entirety to Wales. So we have the support of the public. The Commission recommended devolving to Wales only the Government grant for S4C, despite a number of other organisations asking them to go further. However, the UK Government has refused to implement the Commission's recommendation to devolve to the Welsh Government control over even the few millions of pounds which go from taxpayers to S4C.

A number of other organisations and institutions in this field are also calling on the UK Government to go further, and see the virtue of the argument in favour of devolving broadcasting. BBC Trustee Professor Elan Closs Stephens said on Radio Cymru recently: *"I would be pleased to see more accountability ... I believe that Cymdeithas yr Iaith's job .... is to push, push for something ... and then the job of the civil service, the Government [and others] ... is to find the best way to do that ... I'm sure that it is possible to do more ... "*

We have an opportunity through this review to begin a new era for the media in Wales by devolving broadcasting to Wales.

## Broadcasting in Wales

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If Wales needed to establish a broadcasting system from scratch tomorrow, what would we have to do? We would need to establish regulatory and technological bodies, including systems to regulate content and to allocate broadcasting frequencies. There would be a need for structures for the development, management, production and broadcast of both Welsh language and bilingual television. We would also require corresponding systems for Welsh and bilingual radio, all in accordance with the vision and the principles of public broadcasting. Structures and sources of funding would be of course be required. We would need to consider structures and the network of national and local broadcasting, including the role of commercial broadcasting. Amongst other concerns, there is not currently sufficient broadcasting in Wales which is independent of the BBC (there is no alternative Welsh language television news, for example).

Of course, since we are not talking about establishing a new broadcasting system, we need to devise an evolutionary process that will transform the current situation.

It is important to note that the north of Ireland already has a spectrum which is shared between two systems - one from the UK and one from the Republic. This could set a useful precedent in the context of Wales.

## International context

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The Basque Country and Catalonia, among other countries, demonstrate that it is absolutely possible to devolve broadcasting within a state. Below is an overview of channels and stations in those countries, including details of language, content and audiences of the different platforms, as well as observations on the structures and sources of funding of the bodies that are responsible for them.

### *Euskal Irrati Telebista (EiTB), the Basque Country*

*Euskal Irrati Telebista (EiTB)* was established in the Basque Country in 1982, the same year S4C was launched in Wales. At the time, one television channel and one radio station were launched. Nowadays EiTB is responsible for:

- 6 TV channels (ETB 1, 2 ETB, ETB 3, ETB 4, ETB Sat, Canal Vasco)
- 5 radio stations (Euskadi Irratia, Radio Euskadi, Euskadi Gazeta, EiTB Irratia Radio Vitoria)

In addition to channels and stations targeting general audiences (similar to S4C and Radio Cymru perhaps), we find that there are specific services for children and young people (Appendix 2). Through these, EiTB serves approximately 700,000 Basque speakers within the state and communities scattered across Europe and Latin America. EiTB platforms broadcast in Basque, Spanish and bilingually. Eighty-six percent of EiTB funding comes directly from the Basque government, with the remainder being raised through advertisements. It is also worth noting that there is a 50% quota for Basque language output on commercial radio.

***Corporació Catalana de Mitjans Audiovisuals (CCRTV), Catalonia***

Following legislation by the government of Catalonia, '*Corporació Catalana de Mitjans audiovisuals*' (CCRTV) was established in 1983. It was launched with one TV channel and one radio station. Today, the corporation is responsible for:

- 6 TV channels (TV3, El33, TV3CAT, 3/24, Super3 could, Esport3)
- 4 radio stations (Catalunya Ràdio, Catalunya Música, Catalunya Informació, ICAT FM)

Catalan is the main language in all cases. Similar to EitB, there is a TV channel and a radio station specifically for children and young people (Appendix 3). Note iCAT FM in particular, a multi-platform service that makes extensive use of the Internet and new technology. Although CCRTV serves a comparatively larger audience than those in the Basque Country and Wales (there are approximately 4 million native speakers of Catalan), there are structural aspects of its devolved broadcasting system which are worthy of consideration.

Unlike in the Basque Country, responsibility for television and radio was divided between two CCRTV bodies, namely *Televisió de Catalunya and Catalunya Ràdio*, with other divisions of CCRTV responsible for supporting them through marketing, design, development and technology. There is also CCRTV Interactiva which creates and distributes interactive multimedia content for the above departments. More than half (52%) of the CCTV's funding comes from the Catalonian government general budget, the rest coming from advertising, sponsorship, merchandising and the sale of original productions.

In both of the cases above we find that broadcast systems launched in the same period as S4C have expanded significantly over the decades, while the Welsh language continues to be limited to only one channel and one station.

We believe that Wales deserves the kind of provision that exists in other states worldwide.

## Steps towards devolution

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When considering the legislative process, the starting point will be removing the exception in the Wales Bill which reserves powers over broadcasting. Although this will not necessarily change things overnight, the Welsh Parliament would have the right to legislate in the area of broadcasting. The technical process is more complex in terms of allocating wavelengths, adjusting production structures and creating a system of financing (e.g. a Welsh licence fee) amongst other things. It is suggested that devolution is phased, beginning with regulation.

Therefore, short-term priorities in terms of devolution include:

1. Powers to legislate on the regulation of the whole broadcasting spectrum and the S4C Authority, in order to enable the establishment of a regulatory system for Wales;
2. Licence fee and tax-raising powers to fund public broadcasting;
3. Powers over commercial and community radio, and local television

It should be noted that the devolution of legislative powers in these areas will mean that the National Assembly can decide, as is the case in all devolved matters, to maintain the status quo in broadcasting in the first instance. Devolution would therefore allow evolutionary changes to the system.

## Cymdeithas' view

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Ofcom has failed - and continues to fail - to serve Wales and the Welsh language. The S4C Authority should be expanded and transformed into an *'Awdurdod Darlledu i Gymru'* ('Welsh Broadcasting Authority') with a statutory duty, which will be responsible for broadcasting in Wales in place of Ofcom. It would not therefore continue to be known as the 'S4C Authority'.

The remit, duties and powers of the new body would include the promotion and normalisation of Welsh on all media platforms (including Netflix and Amazon Prime for example), with powers to set quotas for commercial radio and local television in terms of the percentage of their broadcasting in Welsh.

The Authority would have a duty to promote community media, and in particular Welsh language media. In order to ensure pluralism and a range of alternative voices, it would be possible for the Authority to have control over a 'community content fund' to promote local media and platforms in order to create a broadcasting system which starts from the grassroots. In addition, S4C's model should be adapted so that it can produce its own news service, or commission a Welsh language company (or companies) to provide one.



## Benefits to Wales and the Welsh language of a devolved system

Under the devolved system, the 'Awdurdod Darlledu i Gymru' would establish a new S4C, which could be called 'Sianel Cymru', with a much wider remit which would include radio, television and online services. In order to create services equivalent to those of the Basque country and Catalonia we believe that the new S4C, or Sianel Cymru, should be responsible for:

- 3 Welsh language television channels - SC1, SC2, SC3
- 3 Welsh radio stations - RC1, RC2, RC3
- at least 2 internally produced, multiplatform Welsh language news services - Newyddion Cymru
- Offering support to local and community media initiatives producing Welsh language content

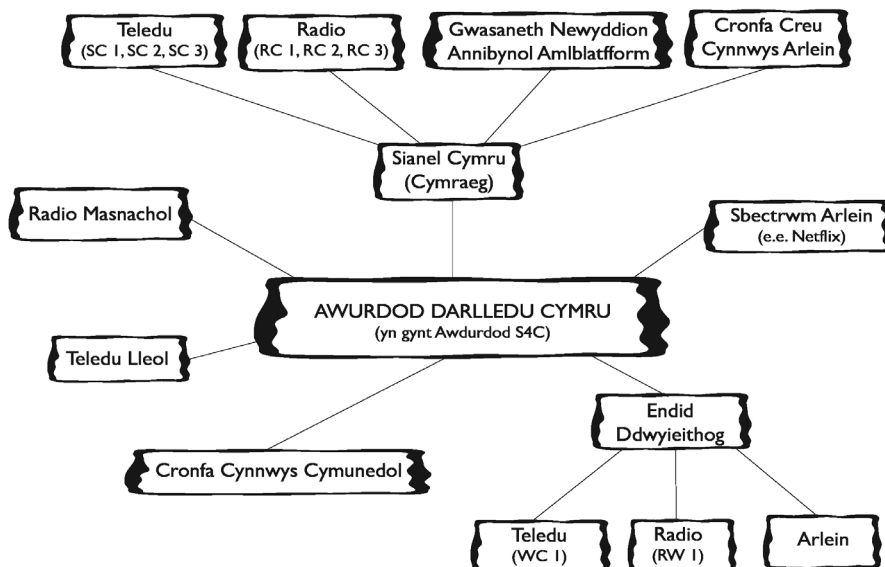
Many of these services would be free of advertisements and would target different demographic and interest groups.

The remit of the 'Awdurdod Darlledu i Gymru' would result in the growth of community media and digital content in Welsh. It would safeguard and expand Welsh language radio and community television by prioritising such provisions, in contrast to the Ofcom regime, which has led to large companies limiting Welsh content, both Welsh language and English language content.

The 'Awdurdod Darlledu i Gymru' would also establish a new bilingual broadcasting entity. The new entity would be responsible for:

- 1 Welsh bilingual television channel
- 1 Welsh bilingual radio station
- 1 Welsh bilingual online service

*Diagram - Structure of proposed new authority*



It is important to remember that the people of Wales would have continued access to English language media from the rest of the British Isles and the world in addition to the extra homegrown Welsh and bilingual broadcasting..

## Financing the System

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In 2015, Cymdeithas published a paper on the funding of Welsh language broadcasting, outlining alternatives for the financing of public broadcasting, a new multiplatform service, and S4C specifically. It appears to be possible to consider several of those recommendations in the wider context of the devolution of broadcasting as a whole.

1. Direct Funding from the Assembly
2. Devolving the licence fee
3. A levy on services, internet, telecommunications companies, advertising and/or the private sector

If a Welsh broadcasting corporation were to oversee commercial television and radio as well as public broadcasting stations and channels, a significant additional amount could be raised by selling advertising space on those platforms. As in the Basque Country and Catalonia, a combination of funding sources would probably be the best solution.

### Direct Funding from the Assembly

As in the Basque and Catalan systems, a statutory proportion of the funding of a devolved Welsh broadcasting corporation would come directly from the Welsh government. In 2014, the Silk Commission suggested transferring responsibility for funding S4C from the UK Government to the Welsh Government, as well as other structural changes. However, ideally - and in order to ensure that Wales has the expertise and capability to make the right decisions for the future of broadcasting - funding and legislative powers over the media would be transferred to the Welsh Assembly. Only full devolution would allow the people of Wales to devise a system suited to them.

### Devolution of the Licence Fee

Securing a Welsh licence fee in Wales could contribute towards the funding of the sort of broadcasting watchdog the country deserves; to determine who would own masts and how they would be used, and put in place the independent regulation of the sector in Wales in order to determine how much Welsh news, programming and music would be available (and how much in the Welsh language) - and also provide greater certainty to public broadcasting in Wales and for S4C in particular. We have come to realise that a period of time would be needed to establish a separate system for Wales, but with the licence fee at risk at a British level it would be sensible for the Welsh Government to commission research on the costs and feasibility of establishing the Welsh system.

### **A Levy on Services, Internet, Telecommunications Companies, Advertising and / or the Private Sector**

There is ever increasing support for the idea of collecting a levy. In December 2016, in the context of Facebook and Google's business activities, the leading academic Leighton Andrews announced that he was "totally supportive of the idea that remediation is required at national level, such as a levy on digital media revenue". In our paper 'Financing Welsh Language Broadcasting' it was shown that the turnover and profits of large companies, such as TalkTalk, EE, BSkyB and Google, have continued to rise significantly despite the recession and in the face of massive cuts to public broadcasting. It has also been shown that a levy of just 1% on the turnover of these companies alone (based on figures for 2013) would raise over £150 million annually on a UK level. By extending the levy to other large companies such as Facebook, Vodafone and Virgin Media, a significant amount could be raised to fund public broadcasting across the UK with a fair share of it is going directly to a Welsh broadcasting corporation and to new and existing services.

Among other issues, it will be necessary to remove the exception on broadcasting legislation which exists in the Wales Bill. As well as powers over the licence fee, it will be necessary to extend the Assembly's existing right to raise new taxes so they are able to consider creating a levy on private broadcasters and others

## Conclusions

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We believe that the devolution of broadcasting offers an opportunity for a new era for the Welsh language as well as invigorating our democracy and all our communities. By devolving responsibility to Wales, the S4C Authority could be turned into a '*Awdurdod Darlledu i Gymru*' (Welsh Broadcasting Authority) - a regulator for the entire broadcasting spectrum that would enable the expansion and normalisation of Welsh on all platforms.


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Appendix 1:  
Policy Booklet 'Broadcasting in Wales' (1970)  
Cymdeithas yr Iaith Gymraeg



# Cymdeithas yr Iaith Gymraeg

## Awdurdod Darlledu i Gymru-NAWR

**PAM MAE DARLLEDU'N BWYSIG**

Mae'r teledu a'r radio yn rhannau sylfaenol o fywyd beunyddiol y mwyastrif o bobl Cymru, a chan mai gwasanaeth a grewyd yn Llundain ydyw, mae'n wasanaeth darlledu sylfaenol Seisnig. O'r herwydd, cyflhira ein pobl i feddwl fel Saeson ac i anghofio'r Gymraeg.

Mae'r gyfundrefn ddarlledu bresennol yng Nghymru yn rôdd i ladd yr iaith Gymraeg a'i gwareiddiad.

**RHAI FFEITHIAU:**

<b>Teledu</b>	
Oriau o Gymraeg yn 1969-70	660 awr
Oriau o Saesneg	11,040
<b>Radio</b>	
Oriau o Gymraeg	699 awr
Oriau o Saesneg	23,502

**POLISI CYMDEITHAS YR IAITH**

1. Awdurdod Darlledu Annibynnol i Gymru gydag awdurdod llwyr dros ddarlledu yng Nghymru a chyfrifoldeb i sicrhau fod pob rhan o Gymru yn derbyn ei wasanaeth.
2. Sianel deledu Gymraeg a sianel deledu Saesneg.
3. Tonfedd radio Gymraeg a thonfedd radio Saesneg.

Cydnabyddwn na ellir gwneud hyn dros nos; ond dylid dechrau ar unwaith drwy sefydlu sianel deledu Gymraeg, fel y prif flaenoriaeth, i ddarlledu lleiafswm o 3 awr y noson, a graddol ddatblygu hyn yn wasanaeth llawn. Dylid darparu mwy o raglenni Saesneg o Gymru i lenwi'r bylchau a greid yng ngwasanaeth presennol B.B.C. Cymru a H.T.V.

**A YW HYN YN YMARFEROL**

A Ar hyn o bryd mae un sianel UHF heb ei llenwi. Rhaid sicrhau y rhoddir hon i'r Gymraeg.

B Cyfrifoldeb mosesol y Llywodraeth yw sicrhau yr arian angenrheidiol i wasanaeth o'r math yma - drwy grant uniongyrchol. Os oes ewyllys gennym nid oes unrhyw anhawster anorchfygol - dangosodd gwledydd eraill, megis yr Yswidwr, hynny i ni.

**PA GAMAU A GYMERODD Y GYMDEITHAS?**

- a) wedi diffinio'n hamcanion yn fanwl mewn llyfryn "Darlledu yng Nghymru", (10c o'r Swyddfa).
- b) wedi gohebu â'r awdurdodau, eu deisebu, danfon dirprwyasthau atynt i drafod y mater.
- c) wedi cynnal ymryd, taith gerdded a gwynosau i geisio cyffroi cydwybod yr awdurdodau i weithredu.
- d) ar ôl ymgyrchu fel hyn, ysgrifenasom at y prif awdurdodau darlledu yn Llundain (cadeiryddion y B.B.C. a'r I.T.A. a'r Gweinidog Post) yn gofyn iddynt ddatgan yn glir erbyn y Sulgwyn a oeddynt o blaid sefydlu sianel deledu Gymraeg neu beidio.

**YMATEB YR AWDURDODAU**

A Dywedodd Cyngor Darlledu Cymru y B.B.C. nad oedd ganddynt hwy y grym i weithredu ein cynigion - am y geirw am benderfyniad gwleidyddol. Sefydlasant bwyllgor gwaith i ymchwilio i gost sianel deledu Gymraeg.

B Nid oedd yr Awdurdodau yn Llundain yn barod rwy ystyriaeth ddifrifol i'r mater o gwbl.

**OHERWYDD EIN HANFODLONRWYDD AR ATEBION YR AWDURDODAU YN LLUNDAIN RHAID OEDD I'R GYMDEITHAS GYMRYD Y CAMAU DIFRIFOL CANLYNOL:**

- a) Dringo mastiau i geisio atal y gwasanaeth.
- b) Torri i mewn i adeiladau'r cyfryngau darlledu a gwneud niwed cyfyngedig i eiddo.

Daethpwyd a chyhuddiad difrifol o "gynllwynio" yn erbyn ein haelodau am hyn.

Gresynwn ein bod wedi gorfod cymryd y camau difrifol hyn, ond yn wyneb gwrthodiad yr awdurdodau i ymateb i bob dull arall nid oedd gennym ddewis. Wyneb yn wyneb a marwolaeth iaith, a'i gwareiddiad, peth bychan yw niweidio eiddo.

**Y FFORDD YMLAEN**

Gwrthod talu treth teledu

Galwn ar holl bobl Cymru i wrthod talu treth teledu o hyn allan hyd nes y sefydlir sianel deledu Gymraeg. Danfonwch eich enw i swyddfa'r Gymdeithas os ydych am ymuno yn yr ymgyrch hon. Sarhad ar Gymro yw talu treth i gynnal gwasanaeth darlledu sy'n lladd iaith ei wlad.

**RADIO ANNIBYNNOL Y GYMDEITHAS**

Dechreuwn ddarlledu ein gwasanaeth radio Gymraeg ein hunain cyn y gaef. Galwn ar ein cefnogwyr i beidio â thalu'r dret teledu ac anfon yr arian (£6 y flwyddyn) yn hytrach i Gronfa Radio Annibynnol y Gymdeithas.

Ysgrifennwch at y Gweinidog Post yn Llundain ac at eich A.S gan bwysio arnynt na all Cymru fforddio bod heb Awdurdod Darlledu Annibynnol yn hwy, os yw'r Gymraeg i fyw.

**PENDERFYNIAID GWLEIDYDDOL FYDD CYMREIGIO'R CYFRYNGAU DARLLEDU A RHAID I BOBL CYMRU WNEUD EU LLAIS YN EGLUR YN Y MATER HWN,**

**Appendix 2:**  
**Basque Country - *Euskal Irrati Telebista (EiTB)* Channels and Stations**

<b>TV</b>	<b>Launched</b>	<b>Language</b>	<b>Content</b>	<b>Audience</b>
<b>ETB 1</b>	1983	Basque	News, entertainment, documentaries, sports, youth programming, children's programmes, movies	General
<b>ETB 2</b>	1986	Spanish	news, entertainment, documentaries, sports, youth programming, children's programmes, movies	General
<b>ETB 3</b>	2008	Basque	Entertainment	Children / Youth
<b>ETB 4</b>	2014	Bilingual	Sports	Cyffredinol
<b>ETB Sat</b>		Bilingual	Basque culture	Spain and Europe
<b>Canal Vasco</b>		Bilingual	Basque culture	Latin America
<b>RADIO</b>	<b>Launched</b>	<b>Language</b>	<b>Content</b>	<b>Audience</b>
<b>Euskadi Irratia</b>	1982	Basque	News / talk radio	General
<b>Radio Euskadi</b>		Spanish	News / talk radio	General
<b>Euskadi Gazeta</b>		Basque	Music	Children / Youth
<b>EiTB Irratia</b>		Bilingual	Culture / music	General
<b>Radio Vitoria</b> <small>Local radio for the city of Vitoria</small>		Spanish	News / talk radio	General

**Appendix 3:**  
**Catalonia - Channels and Stations**  
*Corporació Catalana de Mitjans Audiovisuals (CCRTV)*

<b>TV (Televisió de Catalunya)</b>	<b>Launched</b>	<b>Language</b>	<b>Content</b>	<b>Audience</b>
<b>TV3/TV3 HD</b>	1983 <small>HD launched in 2007</small>	Catalan	News, Entertainment, Drama, Sports, Movies	General
<b>EI 33</b>	1988	Catalan	Documentaries, Culture	General
<b>TV3CAT</b>	1995	Catalan	Combination of TV3 and EI 33 content	Inter-national
<b>3/24</b>	2003	Catalan	News <small>24-hour</small>	General
<b>Super3</b>	2009	Catalan	Entertainment	Children / Youth
<b>Esport 3</b>	2010	Catalan	Sports	General
<b>RADIO (Catalunya Ràdio)</b>	<b>Launched</b>	<b>Language</b>	<b>Content</b>	<b>Audience</b>
<b>Catalunya Ràdio</b>	1983	Catalan	General <small>24 hour</small>	General
<b>Catalunya Música</b>	1987	Catalan	Music <small>24 hour</small>	General
<b>Catalunya Informació</b>	1992	Catalan	News <small>24 hour</small>	General
<b>iCat FM</b>	2006	Catalan	Contemporary and traditional culture <small>Multiplatform - on the web</small>	Children / Youth

## APPENDIX 4

## Consultation Questions:

## Whose S4C? Let's Devolve Broadcasting

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### A. Introduction

The British Government is conducting a review of S4C this year. In a statement last year for funding the broadcaster, they said:

*"In order for S4C to continue to provide a first-class service and have a sustainable future, the Government also intends to carry out a comprehensive review in 2017. This will look at the remit, governance and funding of S4C to ensure the broadcaster can continue to meet the needs of Welsh speaking audiences in the future and invest in high-quality programming. The additional funding announced today will ensure financial stability through the review process."*

Government Ministers also said that this is an opportunity to discuss the devolution of broadcasting, stating that discussions on devolution are 'inevitably' part of the review.

While there are hundreds of television channels and radio stations in English, we only have one radio station and one television channel in Welsh.

Between 2010 and 2015, the British Government has cut S4C's budget by 40%. The Government saved 93% of their grant to the only Welsh language channel. They attempted to make further cuts last year but were forced to reconsider.

The Conservative manifesto of 2015 said they would "safeguard the funding and editorial independence of S4C."

### B. Questions to stimulate discussion in small groups:

#### 1. Context

What kind of media does Wales need?

What are the main strengths of broadcasting in Wales?

What are the main problems of broadcasting in Wales??

#### 2. Devolution

Should broadcasting be devolved to Wales?

If so, what are the most important things to devolve?

What would be the most important things to devolve first?



### 3. The Functions of S4C

What should be the role of S4C? Should it be responsible for more TV channels? If so, how many? For whom?

Should S4C as an organisation host a radio station or stations? If so, how many? For whom?

Should S4C be responsible for broadcasting in other languages in addition to Welsh?

What should S4C do on digital platforms?

What do you think of these specific proposals?

- 1) Expanding the remit of S4C and increasing its budget in order for it to succeed on more platforms, for example by establishing a second radio station.
- 2) Change the S4C Authority from a single channel body to become the 'Awdurdod Darlledu i Gymru' (Welsh Broadcasting Authority) with the power to regulate in several areas, including commercial radio and local television.

This would mean that it would be possible to set quotas for these private companies to provide a minimum of half of their output in Welsh.

- 3) S4C should have the right, the capacity and resources to produce content itself, for example a news service, and to fill the gaps in provision.