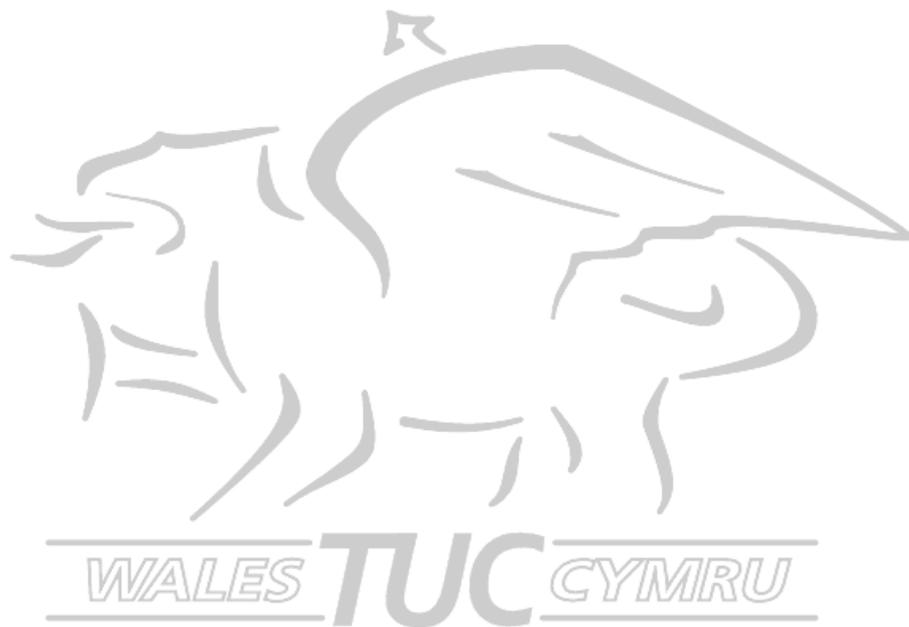


Ofcom's Second Public Service Broadcasting Review



Wales TUC Cymru
1 Cathedral Road
Cardiff
CF11 9SD

Tel/Ffôn: 029 2034 7010
Fax/Ffacs: 029 2022 1940
E-mail/e-bost: chartwell@tuc.org.uk

The Wales TUC is the voice of Wales at work. With over 50 affiliated trade unions the Wales TUC represents nearly half a million workers.

The Wales TUC was established in 1974. It is an integral part of the TUC and was set up to ensure that the role of the TUC is effectively undertaken in Wales. The Wales TUC seeks to work with and make representations to other organisations at an all-Wales level. A major role is to co-ordinate the trade union approach to the Welsh Assembly Government and ensure that the interests of Wales' trade unionists are properly represented in the whole range of Assembly decision making.

Summary

This paper follows a motion to Wales TUC Annual Conference highlighting key concerns about the direction of the media industry in Wales made by trade unions with a stake in media across Wales including broadcasting, new media, newspaper journalism, Welsh film, music, independent sector and dependent businesses.

It argues that a specific media policy for Wales is essential to retain and continually develop an experienced workforce to provide quality services for Wales' viewers, readers and listeners in the face of globalisation and the ongoing impact of centralisation and budget cuts within the Welsh media. It seeks to address the very real threat of declining, dedicated, Welsh-based media outlets, despite the growth of new technology and urges the Assembly Government to develop a cohesive strategy for media industries in Wales.

Specifically, it recommends that the Welsh Assembly Government should develop a Media Policy for Wales which seeks to:

- Maintain and improve broadcasting services, including the plurality of services at an all-Wales level;
- Protect, develop and promote existing jobs and skill centres;

- Develop focused training programmes for media workers that allow Welsh media businesses to become international centres of excellence;
- Review and, where possible, strive to adopt best practices of other small nations;
- Develop existing programming onto new platforms to increase choice and diversity for viewers while increasing the international visibility of Welsh enterprise and innovation;
- Identify and seek to address market failure;
- Support and develop indigenous media products that inform, educate and entertain viewers in Wales.
- Offer integrated policies for Welsh media businesses (public and private) selling programming outside Wales;
- Identify the best elements of what we currently have and use them to take Wales towards a digital future;
- Acknowledge that without positive action, market fragmentation will undermine the maintenance of a distinct national identity.

Introduction

Devolution in 1999 permanently changed the relationship between the citizens of Wales and the UK Government in Westminster. The transfer of policy areas like economic development, health, education and culture to the National Assembly for Wales has, over the last 9 years, inevitably led to an increasing divergence of key Government policies and priorities with an Assembly Government focussed on developing specific Welsh solutions tailored to specific Welsh needs.

The process of devolution has not been confined specifically to policy-making. The effect of developing a bespoke Welsh way has naturally encouraged a keener sense of our own Welsh cultural heritage and strengthened our collective identity.

Policy-makers in Wales rightly seek to harness the benefits of a renewed sense of Welshness; be it promoting Wales abroad as a small, dynamic, diverse and modern nation, celebrating our history and traditions, marking sporting achievement or

delivering a strong Welsh economy. Maximising the potential of these opportunities means ensuring a strong, cohesive media sector, including a secure independent news service, support for Wales based talent including actors, writers, musicians and directors, a platform for Wales-specific broadcasting and film production and flexible learning solutions including training opportunities at key centres of learning in Wales.

However, in contrast to resurgent Wales-specific current affairs and other new opportunities from revived cultural interest, our media industries are in sharp decline. Successive job cuts, the transfer of key dependent industries out of Wales and a UK media policy framework that fails to account for the significant transfer of power from Westminster to Wales is undermining media industries in Wales. Consequently mitigating Assembly Government efforts to deliver a strong, confident and prosperous nation as outlined in One Wales.

Control of all the major news players has become much more centralised with editorial and budgetary objectives set in London rather than Wales. Ironically, the last decade, which has seen Wales achieve greater political responsibility, has also seen the erosion of her cultural autonomy in this field.

The citizens of Wales face a deepening crisis in obtaining the information they need to make decisions in our devolved democracy. As the Assembly Government also notes in its response to the Culture Committee's Review of English Language newspapers in Wales, many viewers, listeners and readers rely on London-based news operations that offer little Welsh content. Within Wales, journalists are working against a backdrop of job losses, profiteering and budget cuts that make it ever more difficult to provide a quality service which has also been condemned by the Assembly's Culture Committee.

In this context, the growth of multi-channel television and the Internet mean that the people of Wales may actually access less quality Welsh journalism in the future – not more.

But, given the right policy leadership, these challenges can be turned into positive opportunities for our nation, allowing us to go forward more successfully and confidently into the digital age.

To develop the right strategies, we need a Media Policy for Wales which identifies a coherent, integrated approach to ensuring that the citizens and consumers of Wales, as well as the media professionals take advantage of the interlinked processes of globalisation, convergence and the possibilities offered by new technology.

Media Industries in Wales

Recent history in Wales has seen an increasingly difficult struggle to maintain high quality journalism in the face of repeated job and budget cuts. This trend has been disguised, in part, by concentrated efforts on new technology and new methods of delivery (digital newsrooms, Internet sites, video journalism by newspaper staff). News organisations have also struggled to prepare themselves for the impact of digital convergence, where all media will be competing for audiences – and funding – through their online presence. But the overall impact has been to reduce the amount and range of original, high quality news and other journalistic material across the print, broadcast and online sectors.

These trends have a direct impact on the ability of Welsh citizens to understand what is being done in their name across the vast swathe of devolved decision making. It has arguably led to a serious disengagement with the political process in Wales – at a time when the democratic decision-making is being brought closer to the public. Despite the growth in the number of outlets, there is little sign that this deficit will be redressed without direct leadership from those who can influence the media structures of the future.

In non-news broadcasting the same pressures apply.

Whilst there is a vibrant music scene in Wales in both the English and Welsh languages opportunities for musicians to perform live are diminishing. The ability of the Arts Council to support musicians in Wales is crucial and the WNO and BBC

orchestras remain in a precarious position in respect of funding and their long-term futures are far from secure.

The advent of digital only broadcasting and the closure of analogue means a major re-working of all contracts with all employers. That process has been going on for some months and will continue.

Ofcom's newly published review of public service broadcasting makes it very clear that ITV Wales news and non-news programming – and its competitive challenge to the BBC – may disappear completely in the medium term if new funding models are not found. It is important to work with ITV to find new funding models which do not top slice existing provision.

Employment Trends in the Wales Media Sector

Politicians across the political divide, in Cardiff Bay and in Westminster have expressed a welcome concern about the current trends outlined above. But as yet, with a few notable exceptions, there has been little strategic thinking or clear leadership on how they should be tackled across the Welsh media. While we welcome the recent Welsh Assembly Government investigation into globalisation in the media and look forward to its findings and the work of the Assembly's Broadcasting Committee, this sits in stark contrast to the establishment by the Scottish Government of a Scottish Broadcast Commission – and the much stronger indigenous print media north of the border.

In Wales the threats can be seen in practice in the following recent developments.

- Media Wales lost seventy staff since November 2003. Printing has been moved to England which means news is not as up to date.
- The South Wales Evening Post and the Daily Post have amalgamated jobs to create central subbing pool for weekly newspapers. This means production

teams may have little direct contact with the communities about which they report.

- Several weekly papers – from Carmarthenshire to Gwynedd are reliant on a handful of reporters and sometimes even share editors across titles. This means that staff can rarely leave the office to report on community concerns and are often reliant on public relations handouts to fill their pages.

In television, Ofcom have recently agreed, largely unnoticed, that ITV Wales can reduce the hours of its non-news programming by 25% from 2009. Further cuts are threatened from 2010. A new owner of the broadcaster could yet decide to withdraw from all national/regional broadcasting because of the costs of production and the regulatory restrictions on advertising.

- At BBC Wales, 250 jobs have already been lost with 235 more at risk from the latest round of cuts. The Director General failed to secure the funds to implement its six-year strategy. But instead of attempting to protect the core public services, for which the BBC is respected and trusted, management are once again forced to salami-slice.
- The BBC intends to produce 10 per cent fewer hours of television programming – more repeats.
- Broadband services are expected to increase, despite plans to axe massive numbers of staff.
- The public has asked for more local news – in Welsh and English. We believe the BBC's proposals for BBC Local should be supported. However, the BBC must properly resource the service and it should enhance, rather than detract, from the existing national news services at 1830 on BBC One Wales and 1930 on S4C. These proposals for an improved localised internet news service must not lead to the downgrading of jobs and salaries, greater workloads and threats to existing services.

- There has been a clear growth in the number of commercial radio stations. But these are often run with little or no professional journalistic input and rarely reflect or support the musical culture of Wales.
- There has been a consolidation in the numbers of independent TV programme makers across Wales which has led to the independent sector hours of programming in Wales being reduced from 70 in 2004 to 58.7 in 2006. We agree with PACT that some of these have proved to be effective and cost efficient programme makers, however it has also led to the closure of some small bespoke production companies across Wales where producers have dedicated their careers to producing high quality programming reflecting Wales' distinct cultural identity, in both Welsh and English. Outside their commissions for the existing Welsh broadcasters, the focus of the larger companies is understandably on programming that rarely reflects the range and diversity of Welsh life.

We welcome the success of the independent sector in Wales, but have concerns with regards governmental (and OFCOM) policies as regards its direction. At present it is being developed at the expense of cuts in funding and staffing at the BBC. Attempts to create bigger independent film companies with the intention of seeing them floated on the stock exchange may see them taken over by larger companies with little cultural or economic commitment to Wales. That would be a waste of assets built up over decades and largely funded by the public purse.

In Wales there will be a particular challenge for S4C to survive and prosper, particularly if audiences fall as a result of analogue shut down. It is vital that S4C maintains its role as a Welsh language only broadcaster and unless funding increases S4C will only be able to expand by reducing spend across existing programmes and that will result in lower wages and poorer quality output. S4C has managed to maintain its role as a fully autonomous broadcaster (though answerable to and funded by DCMS). The Wales TUC welcome that independence and believes

that efforts should focus on consolidating existing services rather than expansion without additional resources.

There has also been a substantial growth in Wales online presence. BBC Wales Online, ITV Local Wales and websites of the regional and local papers offer a wide range of information. But all of these are reliant on the input of their 'host' newsrooms.

Challenges for Media in Wales

For the creative media sector relying on support from the ACW it remains a period of instability. For the many outside the remit of ACW funding there is little support for an infrastructure that would allow them to develop their skills. For example, musicians who are also composers rely upon a vibrant audio/visual industry in Wales to provide employment.

The key challenge is to keep up with the demands of the changing technology. It is going to be increasingly difficult to keep track of the use of product across platforms.

When the Dragon studios in Rhondda Cynon Taf open the challenge will be to fill them. This is where Assembly incentives are needed in order to attract major players to film in Wales.

In news media the complex and competing challenges faced across the industry and opportunities are specifically outlined in Appendix A.

Priorities for a Media Strategy in Wales

A thriving Wales-specific media sector is crucial to adequately represent Welsh culture and current affairs across Wales. We believe that the value of the arts and media industry in Wales should be fully acknowledged with the implementation of a structured and sustainable approach to arts and media funding.

We must ensure that the people of Wales receive both a news and entertainment package that meets their requirements by recognising the importance of national identity and by supporting and encouraging the development of a highly skilled workforce in Wales.

The Wales TUC urge the UK Government and Assembly Government to instigate a media policy for Wales which:

- Establishes a Media Commission/er in Wales to look at some of the issues in much more detail.
- Prioritises the Creative and cultural industries for training and development, recognising that the sectors are becoming increasingly dependent on a hard-to-reach atypical workforce i.e. those working on a freelance or short-term contract basis, who require additional support from their trade union to identify and access relevant and affordable training to regularly update and enhance their skills in an industry that's facing continual change
- Insists that projects under the IP Fund/Creative Business Wales use Wales based talent and create a "best practice" contract model which guarantees that all projects are benchmarked against union agreed rates.
- Establishes leadership with a commitment to tackling the threats to the Welsh media and a willingness to seize the opportunities and exert the influences that are currently available, even within the current (mostly non-devolved) settlement.
- Instigates an investigation via the Enterprise and Learning Committee into how that power and influence might best be used to support the needs of an informed democracy within Wales and a wider world that hears ever less about the creative, leisure and business opportunities offered by Wales. In particular, the committee can utilise the new powers of the Assembly to summon key decision makers in print and broadcasting at a UK level to give evidence and account for their policies. The committee can also ensure the independence of the BBC Trust in Wales and the S4C Authority by requesting

that they seek evidence from other bodies apart from their own managements when coming to decisions.

- Agrees and implements a Media Policy for Wales to work towards ensuring a more informed democracy and a nation that seizes the opportunities provided by the digital age.
- Campaign for representation of Welsh politics and culture at a UK level.

Conclusion

Strategic planning is needed for the voices of Wales to be heard in the new globalised media world. Left to compete in the global marketplace they would be drowned out by those of the larger nations.

At present, broadcasting policy, set at a UK level, tends to place more emphasis on the economic role of the media rather than its importance in the political and cultural life of society. While economic success is an important objective in the new economy of Wales, the fundamental reason for the existence of the Welsh media must be to serve the people of Wales by representing their lives on the screen, in print and on the airwaves at a local, regional, national, UK and international level.

The same trends operate in the print sector. The Wales TUC acknowledges that our newspapers operate in a tough commercial climate. But the massive profits earned by many publications, the lack of competition and the poor wages of their staff suggest short-termist profiteering rather than sound long term business planning and investment in the communities that they are supposed to serve.

Wales needs to build its political, economic and cultural strength in an increasingly globalised world. To do so, our media must have high-level public support from our politicians at Cardiff Bay, Westminster and in Europe.

Appendix A

	Challenges	Opportunities
Short term	<p>Job losses</p> <p>Dis-investment in content creation/ origination</p> <p>Reduction in audiences/readership for Welsh content</p> <p>Processes of media convergence leading to less journalism content from Wales, not more</p>	<p>New focus on building journalistic / information infrastructure</p> <p>Growth in audiences for Welsh originated material</p> <p>Recognition of importance of mass media alongside other cultural and entrepreneurial activities</p>
Longer term	<p>Closure of newspaper titles</p> <p>Withdrawal of ITV from Wales</p> <p>Reduction in BBC Wales because of lack of competition here – and greater financial pressures at an all-UK level</p> <p>Increased ‘invisibility’ of devolved institutions – and reporting of impact of Westminster decision making on Welsh voters</p>	<p>Establishment of Wales as a flexible and innovative player within the information society</p> <p>New opportunities to celebrate success of Welsh business/ culture/education across increasingly convergent media markets inside and outside Wales</p> <p>Greater understanding within and outside Wales of the impact of devolution</p>

FURTHER INFORMATION

Further information about this paper can be obtained from:

Chris Hartwell

Assistant Research, Campaigns & Organising Officer

Wales TUC, 2nd Floor, Transport House, 1, Cathedral Road,

Cardiff, CF11 9SD

Tele: 029 2034 7010

Fax: 029 2022 1940

Email: chartwell@tuc.org.uk