

MG ALBA LOGO

Ofcom's Second Public Service Broadcasting Review

Phase Two: Preparing for the digital future

Background

MG ALBA welcomes the opportunity to respond to this latest consultation. While BBC ALBA has been successfully launched on satellite in partnership with the BBC, MG ALBA remains committed to securing the distribution of BBC ALBA on *all* digital platforms; and to ensuring a sustainable future for Gaelic broadcasting. We have therefore focused our comments at this second phase of the Ofcom review upon the key PSB themes which we believe to be most pertinent to these goals, namely:

- Spectrum access for Gaelic Broadcasting; and
- The role of plurality in Gaelic Broadcasting.

Spectrum access for Gaelic Broadcasting

The UK Government has decided to promote Digital Terrestrial Television (DTT) as the mainstream digital alternative when the analogue signals are switched off, with the BBC alone allocated £800 million specifically to support the change, including help for elderly viewers or those on low income to convert their equipment from analogue to digital.^{1,2}

The success of DTT and its core role in the era of digital broadcasting is increasingly evident from the statistics on UK multichannel television take-up. This is illustrated by the chart below, from Ofcom's Communications Market Report, which also shows the rapidly increasing number of homes who receive DTT only, a trend that will be accelerated as digital switchover (DSO) progresses³:

¹ We note the view that a 'switchover surplus' of some £130 million per year exists.

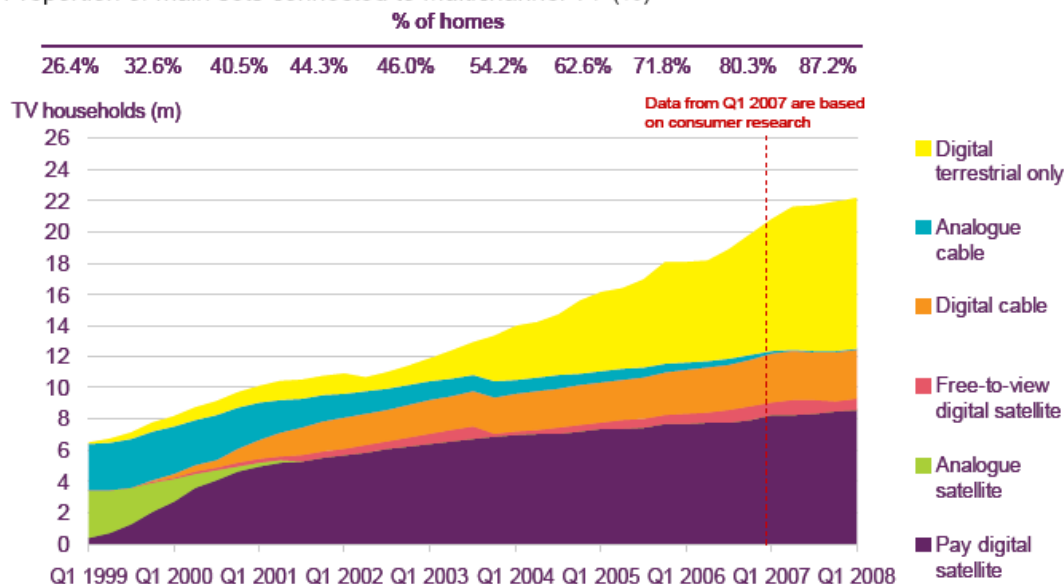
² In Ofcom's words: "At DSO...DTT will be made available throughout the UK, reaching as many people as analogue - 98.5% of the population – and offering all viewers a wider choice and variety of content. At the same time, DTT will become the means by which we can ensure that viewers have ready access, free-to-air, to Public Service Broadcasting (PSB).

The DTT platform will therefore have a critical role in ensuring the delivery of high quality television to the people of the UK. This is a role reflected in successive decisions by Parliament, the Government, and Ofcom." – Ofcom, *The Future of Digital Terrestrial Television: Enabling new services for viewers*, paragraphs 1.4 to 1.5, p.4, 2008, at <http://www.ofcom.org.uk/consult/condocs/dttfuture/dttfuture.pdf> . DTT also has the advantages of being cheap to access (with only a small up front payment required for a set top box) and being particularly attractive for the conversion of secondary television sets in households which have satellite or cable for the main set.

³ Ofcom, *Communications Market Report*, 2008, Figure 3.1, p. 148, at http://www.ofcom.org.uk/research/cm/cmr08/cmr08_1.pdf .

Figure 3.1 **Multichannel television take-up**

Proportion of main sets connected to Multichannel TV (%)



Source: research from Q1 2007, platform operator data, Ofcom estimates and GfK research prior to this

MG ALBA supports the main recommendations of the Scottish Broadcasting Commission (SBC)⁴, which have received all-party support at Holyrood.

The SBC has noted the damaging effect of the current lack of DTT carriage for BBC ALBA⁵ in its final report:

“...there is some concern that the new service will be reviewed and its future prospects decided at too early a stage in its development – probably some 18 months after it is launched.

The service is based on a linear television channel complemented by radio and online content. The main channel will be available on satellite, cable and Broadband platforms. However, the BBC Trust has reserved its position on carriage on digital terrestrial television, which is clearly emerging as the main digital platform and will be vital to the service achieving maximum impact and reach. The position on digital terrestrial television carriage will be reviewed at the end of

⁴ The SBC’s key recommendation is that a new Scottish Network should be created, “a digital public service television channel and an extensive and innovative online platform...funded out of the new UK settlement for PSB plurality and licensed and given full regulatory support by Ofcom”; see Scottish Broadcasting Commission, *Platform for Success*, paragraph 13, p. 5, 2008, at <http://www.scottishbroadcastingcommission.gov.uk/Resource/Doc/4/0000481.pdf> .

⁵ Scottish Broadcasting Commission, *Platform for Success*, paragraph 13, p. 5, 2008, at <http://www.scottishbroadcastingcommission.gov.uk/Resource/Doc/4/0000481.pdf> .

2009 or beginning of 2010 and it is greatly to be hoped that BBC ALBA will at that point secure carriage on that platform in addition to the others.”⁶

The SBC’s concern over the damaging impact of the lack of Freeview carriage was also highlighted in the (Scottish) Sunday Herald’s coverage of the BBC ALBA launch,⁷ in which Wilson McLeod, senior lecturer in Celtic studies at Edinburgh University, observed that BBC ALBA was being stopped from broadcasting to two thirds of Scots and so was ‘being set up to fail.’

However, the BBC Trust’s comments on the matter of carriage on Freeview in its final conclusions on the Gaelic Digital Service in January 2008 divulge the Trust’s reservations and hint that broadband was then seen by the Trust as possibly a more appropriate distribution platform:

“In balancing the needs of small audiences with those of the wider UK population, the Trust is open-minded as to whether linear channels are necessarily the most appropriate way of serving smaller audiences. ... While the Trust recognises that Freeview was the most popular choice of distribution mechanism in the public consultation, the balance of evidence presented so far does not yet justify the proposed spend on DTT.”⁸

The limited scope of broadband as a viable alternative to Freeview carriage will remain an issue for the near to medium term. The BBC Trust has expressed reservations about broadband as an alternative media platform in its recent rejection of BBC management’s local video proposals in its provisional conclusions. The Trust acknowledges that any assessment of the viability of the concept of the proposed service leads quickly to a debate on whether broadband is an appropriate delivery platform.⁹ It goes on to note that low income groups (who also tend to have low approval of BBC performance) are generally less well represented online; and whilst 35-49 year olds are well-represented online, those aged over 34 tend to spend proportionally less time there due to competing work and family commitments.¹⁰ The Trust also observes that the percentage of low-income households is higher than the national average in Glasgow, where broadband penetration is around 32%, compared with 62% in London and a national average of 58%. Take up in Glasgow is probably constrained by lower than average ownership of PCs.¹¹

⁶ Scottish Broadcasting Commission, *Platform for Success*, paragraphs 3.68 to 3.69, p. 31, at <http://www.scottishbroadcastingcommission.gov.uk/Resource/Doc/4/0000481.pdf>

⁷ Meiklem, Peter John, Media Correspondent, Sunday Herald, 21 September 2008, *New Gaelic channel ‘set up to fail.’*

⁸ BBC Trust, *Gaelic Digital Service: Public Value Test final conclusions*, p.5, January 2008, at http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/gaelic_digital_service/final_conclusions.pdf.

⁹ BBC Trust, *Local Video Public Value Assessment*, 21 November 2008, p. 30, par. 6.4.1, at http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/local_video/pva.pdf.

¹⁰ BBC Trust, *Local Video Public Value Assessment*, 21 November 2008, p. 30, par. 6.4.4, at http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/local_video/pva.pdf. The reference to ‘those in Northern Ireland and Scotland’ reflects the BBC Trust’s emphasis on the need for the BBC to ensure it improves its services to the underserved and low approvers – a category which includes Northern Ireland and Scotland.

¹¹ BBC Trust, *Local Video Public Value Assessment*, 21 November 2008, pp. 32-33, par. 6.5.5 – 6.5.6, at http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/local_video/pva.pdf.

The BBC Trust's view is that, although the Government has signalled its desire to increase broadband penetration, significant barriers in terms of price and IT training are likely to persist and so it will take significant intervention to bridge this divide.¹²

The Trust also took note in its report of the comments of MG ALBA that some areas of Scotland, such as rural areas in the Highlands and Islands have no broadband service or a service whose bandwidth is too limited to carry audiovisual content.¹³

MG ALBA shares the BBC Trust's reservations about the capability of broadband delivery, at least in the short to medium term. We also take particular note of the specific difficulties expressed concerning Glasgow and the Highlands and Islands of Scotland, which are also very important areas for Gaelic broadcasting.

It is clear from the Trust's comments that BBC Trust approval of Freeview carriage will be dependent not only upon BBC ALBA attracting new Gaelic speakers, but also upon substantial numbers of non-Gaelic speakers if it is to deliver its target reach of 250,000 viewers – within a relatively short time frame:

“If the BBC is to be a partner in the GDS it must add greater public value than could be achieved simply through offering enhanced provision to existing users of Gaelic content, which could be provided by a GMS-only venture. In particular, the Trust will look closely at the service's educational strategy to ensure that enough emphasis is being placed on attracting new speakers to the Gaelic language. We will also examine to what degree the service is appealing more widely to an audience beyond Gaelic speakers. The emphasis of the review will be on both the reach being achieved by the service and its broader impact throughout Scotland.”¹⁴

Audience data for the first 6 weeks of BBC ALBA (19 September to 30 November 2008) indicate that the channel is achieving reach of some 15%, or over 600,000 viewers in Scotland. With genres such as full international, national and local news, live and deferred Scottish Premier League football and rugby, drama, music, factual and children's the channel in its first few weeks is achieving high levels of resonance with Scottish audiences beyond the core Gaelic speaking audience. These results are all the more encouraging given that the channel is still only available on the digital satellite platform.

It is therefore imperative that the new Gaelic channel is made available on Freeview at the earliest possible opportunity in order that it may achieve broad appeal beyond the digital satellite audience. While we recognise that this matter is not wholly within Ofcom's jurisdiction, MG ALBA would welcome Ofcom's support for Freeview carriage within the context of its current wide-ranging review of PSB. This would be consistent with Ofcom's view that the three main PSBs (the BBC, ITV and Channel 4) would each displace an existing MUX service in order to accommodate the needs of the indigenous minority languages (see below).

¹² BBC Trust, *Local Video Public Value Assessment*, 21 November 2008, p. 33, par. 6.5.8, at http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/local_video/pva.pdf.

¹³ BBC Trust, *Local Video Public Value Assessment*, 21 November 2008, p. 38, par. 6.5.32, at http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/local_video/pva.pdf.

¹⁴ BBC Trust, *Gaelic Digital Service: Public Value Test final conclusions*, p.31, January 2008, at http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/gaelic_digital_service/final_conclusions.pdf.

The role of plurality in Gaelic Broadcasting.

MG ALBA agrees with Ofcom that plurality is an essential ingredient of any healthy PSB structure, in terms of its contributions to diversity, democracy and competition for quality. The concept of plurality also has relevance within the context of Gaelic broadcasting, with both the BBC and stv currently offering Gaelic programmes on terrestrial television. However, the stv contribution has reduced substantially over the years and we note that Ofcom envisages a further reduction next year and complete abolition of the requirement by 2010/2011:

“The 1990 Broadcasting Act requires Channel 3 licensees in Scotland (stv Central and stv North) to broadcast programmes in Gaelic - currently one hour per week of licensee-funded programming (which forms part of the shared minimum non-news requirement) and one hour of MG ALBA-funded Gaelic programmes (not part of the non-news requirement).

We believe that stv’s Gaelic obligations need to be considered within the context of the Channel 3 service for Scotland as a whole and should strike the right balance between English language and Gaelic programming. We propose, subject to the relevant legislative changes being made, that stv should lose its requirement to broadcast licensee-funded Gaelic as well as the requirement to broadcast MG ALBA funded Gaelic in peak from 2009 but should continue to broadcast one hour per week of MG ALBA-funded programming until switchover in Scotland is complete.”¹⁵

MG ALBA believes that continuing plurality is important for Gaelic broadcasting, but is open to how that plurality is best provided. With stv likely to withdraw from the arena, the voice of MG ALBA as an organisation totally focused on the contribution of broadcasting to the Gaelic language becomes more important than ever. An essential element of this contribution is the ‘normalisation’ of broadcasting in the Gaelic language – it needs to avoid becoming overly ‘worthy’ in the way that some narrowly based concepts of PSB could suggest. This is an important reason why BBC ALBA needs to maintain and extend its wide appeal. Despite only being available on satellite at present, the channel provides news, sports, current affairs and all the genres one would normally associate with PSB.

This does raise the issue of MG ALBA’s status. While our partnership with the BBC works well, it is important to recognise that the BBC and MG ALBA have different fundamental objectives: MG ALBA’s statutory objective is to promote and enhance Gaelic broadcasting, while the BBC clearly – and understandably - has broader objectives. This is evident in the BBC Trust’s approach to the question of Freeview carriage; the Trust’s concern is to test that the BBC’s new services will achieve Public Value, following a methodology which incorporates aspects of both consumer value and (less easily quantified) citizen value – from a BBC perspective. This does not mean that MG ALBA and the BBC cannot work together successfully, but does raise the question of whether greater weight needs to be given to the importance of protecting minority languages. Elsewhere, there is an increasing political recognition of the importance of supporting the indigenous and autochthonous languages of Scotland, Wales and N. Ireland. For example, Article 11 of the European Charter for Regional or Minority Languages states that:

¹⁵ *Ofcom’s Second Public Service Broadcasting Review Phase Two: Preparing for the digital future*, September 2008, p. 84, paragraphs 5.86 – 5.87, at http://www.ofcom.org.uk/consult/condocs/psb2_phase2/psb2_phase2.pdf.

“The Parties undertake, for the users of the regional or minority languages within the territories in which those languages are spoken, according to the situation of each language, to the extent that the public authorities, directly or indirectly, are competent, have power or play a role in this field, and respecting the principle of the independence and autonomy of the media:

- a. to the extent that radio and television carry out a public service mission:
 - i. to ensure the creation of at least one radio station and one television channel in the regional or minority languages; or
 - ii. to encourage and/or facilitate the creation of at least one radio station and one television channel in the regional or minority languages; or
 - iii. to make adequate provision so that broadcasters offer programmes in the regional or minority languages.”^{16, 17}

Parity of principle for Gaelic with the autochthonous languages of Wales and Ireland on PSB is needed. Such parity does not exist at present¹⁸, although Ofcom has made important recommendations supporting the place of indigenous language broadcasting in the public service broadcasting landscape. In particular, Ofcom has recommended that the new Gaelic language service in Scotland, the Welsh language service in Wales and an Irish language service in N. Ireland each be allocated digital terrestrial spectrum in their respective nations when this becomes available (Wales 2009, Scotland 20010/11, N. Ireland 2012). Ofcom’s view is that the impacts should be shared among Channel 4 (Wales), the BBC (Scotland) and ITV (N. Ireland), a basis which seeks to spread the burden fairly across the major broadcasters. The Department for Culture, Media and Sport has already moved to legislate to implement those recommendations for Wales.

The Scottish Government’s National Plan for Gaelic makes reference to the importance of broadcasting for language development and in the context of the European Charter. MG ALBA believes that a clear and consistent basis is needed for the autochthonous languages of Scotland, Wales and Ireland to

¹⁶ Council of Europe, 1992, *European Charter for Regional or Minority Languages*, Article 11, at <http://conventions.coe.int/Treaty/en/Treaties/Word/148.doc> .

¹⁷ Article 1 of the Charter defines “regional or minority languages” as languages that are: i. traditionally used within a given territory of a State by nationals of that State who form a group numerically smaller than the rest of the State’s population; and ii different from the official language(s) of that State; it does not include either dialects of the official language(s) of the State or the languages of migrants – see Council of Europe, 1992, *European Charter for Regional or Minority Languages*, Article 1, at <http://conventions.coe.int/Treaty/en/Treaties/Word/148.doc> .

¹⁸ As Ofcom note in their latest PSB consultation document, S4C in Wales is formally recognised as a PSB and indeed may well require additional capacity on DTT for new services, while the UK Government is committed to making TG4 available on DTT in N. Ireland at DSO in 2012 – see Ofcom, *Ofcom’s Second Public Service Broadcasting Review Phase 2: preparing for the digital future*, 2008, paragraphs 5.84 and 5.88, p. 84, at http://www.ofcom.org.uk/consult/condocs/psb2_phase2/psb2_phase2.pdf .

replace the current patchwork quilt indicated below¹⁹ and thus to give uniform effect to the European Charter:

Figure 30: Comparative data on indigenous languages

	Welsh	Gaelic	Irish ³⁷	Ulster Scots
European Status	Part III (specific broadcasting requirements)			Part II (general requirements only) ³⁸
UK Status	Welsh Language Act 1993 (Westminster)	Gaelic Language (Scotland) Act, 2005	Belfast/Good Friday Agreement 1998 (broadcasting commitments)	Mentioned in Belfast/Good Friday Agreement, 1998
Language ability	580,000 speakers – 20.8% (2001 Census)	92,000 - 2% have some Gaelic language ability; 2% c 60,000 fluent speakers (2001 census)	167,500 have some knowledge - 10% in NI (2001 Census) 1.6m - 42% in ROI (2006 Census)	30,000 – 100,000 + or 2% - 6% (no question in 2001 Census) ³⁹
Public Funding (per year)	£94m – DCMS to S4C	£12m - Scottish Government to MG Alba (formerly GMS)	£3m via DCAL to ILBF until 2009, from UK Government 2009 - 2011	DCAL funded but not for broadcasting ⁴⁰
BBC/PSB input (per year)	c. 520hrs of content to S4C (value £22.5m)	£9.7m funding in content	£950,000 of content from BBC NI from 2009 (365hrs from RTÉ to TG4 in ROI)	£400,000 of content from BBC NI from 2009
Channel Availability	S4C analogue; S4C Digidol/S4C2 on all platforms	BBC Alba launching Sep 2008 on dig sat, dig cab & FreeSat TeleG - DTT BBC Scotland/stv - all platforms	BBC NI - all platforms TG4 and RTÉ from ROI available in NI on analogue spillover, dig sat and dig cab TG4 - also analogue boost from Divis	BBC NI – all platforms (and BBC Radio Ulster)
	Ofcom's <i>The Future of DTT</i> proposed making space on PSB mux for S4C in Wales, GDS (BBC Alba) in Scotland and TG4 in NI			
Content	S4C - 6hrs daily S4C Digidol - 12hrs daily S4C2 - Welsh Assembly	BBC Alba - up to 7hrs daily TeleG - 30-60 mins per day stv - 2hrs per week	BBC NI - 12 hrs for whole of 2007 TG4 - 6hrs min. daily	BBC NI - 5hrs for whole of 2007

We are open-minded on whether MG ALBA itself needs PSB status in legislation. However, we are clear that securing Freeview carriage is absolutely essential to a sustainable Gaelic broadcasting ecology and are concerned that this may be hindered if MG ALBA is not recognised as such – particularly in a scenario where the BBC Trust could decide that the BBC had other priorities, for example new HDTV services, for its MUX and spectrum capacity.

¹⁹ From *Ofcom's Second Public Service Broadcasting Review Phase Two: Preparing for the digital future*, September 2008, p. 83, Figure 30, at http://www.ofcom.org.uk/consult/condocs/psb2_phase2/psb2_phase2.pdf. Please note that this table appears to overstate the reported BBC contribution to Gaelic content. The correct figure should be £7.8 million and is for both television and radio. The comparison could therefore be misleading in that the Gaelic figure includes radio, whereas the Wales and N. Ireland comparatives do not appear to do so.

Parity of principle also needs to be reflected in the cost of gaining access to the full DTT distribution infrastructure, including consistency in the application of market pricing, Administered Incentive Pricing (AIP) or indeed zero pricing, when spectrum pricing is introduced.

Conclusion

In conclusion, our main comments and recommendations on this phase of the review are:

- **MG ALBA supports the main recommendations of the SBC, including the creation of a new digital public service television channel (and online platform), funded out of the new UK settlement for PSB plurality and licensed and given full regulatory support by Ofcom.**
- **BBC ALBA should be made available on Freeview at the earliest possible opportunity in order that it may achieve broad appeal. While we recognise that this matter is not wholly within Ofcom's jurisdiction, MG ALBA would welcome Ofcom's support for Freeview carriage within the context of its current wide-ranging review of PSB. This would be consistent with Ofcom's view that the three main PSBs (the BBC, ITV and Channel 4) would each displace an existing MUX service in order to accommodate the needs of the indigenous minority languages.**
- **Parity of principle for Gaelic with the autochthonous languages of Wales and Ireland on PSB is needed. Parity of principle also needs to be reflected in the cost of gaining access to the full DTT distribution infrastructure, including consistency in the application of market pricing, Administered Incentive Pricing (AIP) or indeed zero pricing, when spectrum pricing is introduced.**

MG ALBA is keen to offer its support to Ofcom wherever possible at this critical stage in the development of PSB.

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