A stylized map of Ireland is centered in the background, rendered in a light pink color. Overlaid on the map is a complex network of thin pink lines connecting various points, suggesting a digital or communication network. The background of the entire page is a gradient from dark purple at the bottom to bright pink at the top.

# FUTURE OF **MEDIA** COMMISSION

**RTÉ**

Public/Stakeholder Consultation – RTÉ Submission  
8th January 2021

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# INTRODUCTION

**The establishment of the Future of Media Commission is timely and necessary. The public space occupied by the media is fundamental to our sense of ourselves – daily it shapes our shared understanding of the society and culture in which we all live. Much is at stake if a sustainable future for the sector is not secured.**

For 60 years RTÉ has been companion to, participant in, and observer of all that has changed in Ireland. It has been RTÉ's duty to investigate it, report it, reflect it, and celebrate it. RTÉ has simultaneously been a mirror and a lens, reflecting and focusing the national conversations, making sense of our shared, constantly unfolding story.

Public service media now exists in a very different world from when RTÉ was established. Audiences in Ireland now live in a transformed media and communications landscape. With unlimited choice, with every interest and taste catered for, audiences enjoy a digital world - always on, accessible across multiple devices and, increasingly, delivered or mediated by global companies. Audiences today exercise control over when and how they consume information, journalism, programming and content.

RTÉ has evolved with these developments and still occupies a unique place at the heart of Irish public life. RTÉ continues to retain the loyalty and trust of a very large proportion of Irish audiences, and this has been especially evident during Covid-19. At a time when our collective interdependency became as important as our individual independence, RTÉ underpinned a shared national narrative and was a consistent and trusted source of information, analysis and news that people could rely on everyday to keep themselves, their families and their communities safer.

# RTÉ: A TRUSTED SOURCE AND PRESENCE DURING CRISIS

**As independently tracked by Amárach every week, 90% of the Irish people are choosing RTÉ as their main source of information, news and analysis on Covid-19.**

## SNAPSHOT

Looking at one 11 week period from 2020 (2nd March to 17th May 2020), we can see how crucial RTÉ was to audiences during the first wave of the pandemic

## KEEPING THE NATION CONNECTED | TELEVISION

Source: TAM Ireland / Nielsen, Based on National, Consolidated, Mon-Sun 03:00 - 26:59, Weeks 10 - 20 2020 & 2019

- 3,900,000\* or 90% of the Irish TV population tuned in to RTÉ's television services over an 11 week period (2nd March to 17th May 2020) (Inds 4+ / \*1Min Reach / + 2% YoY)
- 35% more 15-34s were watching RTÉ in the first wave of the pandemic, and 30% more kids were tuning in

## KEEPING THE NATION INFORMED | RTÉ NEWS AND CURRENT AFFAIRS

- 3,500,000 individuals (4+) spent at least 15 mins\* viewing RTÉ News & Current Affairs output across RTÉ's television channels (\*15Mins Consecutive Reach / +22% year-on-year or +622k viewers / Inds 4+)
- The number of 15-34s watching the *Nine O'Clock News* was up 126%, and up 137% year-on-year for the *Six-One*, and +121% for Prime Time.

## KEEPING THE NATION LISTENING | ONLINE AUDIO

- From 2nd March to 17th May 2020, there was a 50% growth in average weekly radio streams at 1.3m vs. the first 9 weeks of the year (900k)

## RECORD BREAKING | RTÉ PLAYER AND RTÉ.IE

- RTÉ Player recorded its highest-ever weekly Unique Visitors of 622,000 in Week 18 (27th April to 3rd May)
- Streams were up 70% year to date
- *Normal People*, at 2.5m+, was the biggest-ever drama on RTÉ Player
- An Taoiseach's speeches to the nation were watched by 1M+ on RTÉ Player & RTÉ News Now (Online)
- RTÉ.ie page views were up +153% year-on-year

# INTRODUCTION

## RTÉ'S UNIQUE ROLE IN IRELAND

It is the stories RTÉ tells, and the programmes we make, that ensure an enduring relevance to the daily lives of people in Ireland.

RTÉ works hard to meet the real and constantly changing needs of its audience. Like any public body, RTÉ must manage its finances prudently, but unlike its many competitors on screen, on air and online, RTÉ does not exist to make a profit.

Rather, RTÉ exists to serve the public interest, not that of shareholders or the Government of the day. How well we do that, how well we spend public money, how well we engage with all sectors of Irish society, and how we impact on the market while doing so, is why RTÉ is rightly regulated and reviewed annually. But it is this primary duty to the public interest, expressed through our programming, journalism and services, and prescribed and underpinned by law, that makes RTÉ unique and distinct.

While much has changed in technology and distribution, human and audience needs remain constant. People need trusted information and news to help them understand and plan their lives. People want to engage with the stories relevant to them. People want to laugh and be entertained. People want to watch, listen and read about their culture, their sports, their music, and their history. And crucially people still, despite the range of on-demand options available, want to connect and experience much of this together.

At its best, public media provides a compelling response to these human, social and cultural needs. But how does public media do so today in the digital era, within a fragmentating and polarising society, and amid growing public distrust of institutions, authority and information?

- In a world dominated by international media organisations, social media platforms and international programming and content, a strong RTÉ ensures we all have access to journalism that has the resources, authority and trust to ask the tough questions and address, as its priority, the issues, challenges and questions facing our society.
- Within a global context, a strong RTÉ sustains a vibrant indigenous culture, develops and supports local programme makers and creative talent, and ensures a distinctive Irish voice and identity.
- A strong RTÉ ensures moments of shared national experience will be available free-to-air, where everyone, and every community, is included, and all the expressions and iterations of ourselves have a home.

# INTRODUCTION

For generations RTÉ has consistently connected journalism, politics, culture and communities, while retaining the trust of the public. Over the last 15 years RTÉ has embraced the opportunities of digital technology. Today, while continuing to deliver the country's leading broadcast channels, RTÉ has extended its public value with market-leading online and mobile media services, offering all of RTÉ's journalism and programming on the smart phone, tablet and desktop.

**These investments have ensured that RTÉ remains at the centre of Irish public life, accessed in any given week by 94% of the people living in Ireland, and many more around the world.**

## A RECORD-BREAKING YEAR FOR ENGAGEMENT AND IMPACT FROM THE RTÉ LATE LATE TOY SHOW

With 1.7 million viewers, and a 77.1% audience share it was one of the

**HIGHEST RATING**

TV programmes, on a single channel, on record in Ireland.

**87.4% SHARE**

of 15-34s.

There have been

**820K STREAMS**

to date of the Late Late Toy Show and related clips on the Player, from 138 countries.

On the night the Late Late Toy Show (RTÉ one and RTÉ news Irish Sign Language Toy Show versions) had

**359,000 LIVE STREAMS.**

The Late Late Toy Show Appeal raised

**€6.5 MILLION**

for children's charities.

Across Social: The Late Late Toy Show videos on RTÉ's Instagram and Facebook accounts had

**5.85M VIEWS**

and generated total interactions of 830,000, while #LateLateToyShow was the number one worldwide trend on Twitter.

## THE CHALLENGES FACING PUBLIC MEDIA HAVE NEVER BEEN GREATER

However, strong as RTÉ's connection is with the public, as demonstrated in 2020, there is little doubt that the role that public media plays in Irish life is being challenged like never before.

Technology, or more precisely, the accelerating and disruptive digital media technology of today, is challenging long established media consumption patterns. The advertising-based commercial business model of broadcasters and publishers, while still hugely important, is severely threatened. More and more, advertising revenue is moving to a small number of technology and social media companies.

**The TV Licence system – which remains coupled to an outdated definition of what TV has become - is no longer reflective of how many people are accessing public service programming and content and is now losing c. €50m a year.**

While linear television and radio consumption remains strong, major changes in the market are shifting consumer behaviour and expectations toward online and mobile services, particularly among the young.

Over the next decade, as broadband speeds increase and coverage extends fully into rural areas, as digital devices become smarter, and global competition becomes even greater, the effects of digital disruption on media are likely to become even more fast-moving and profound.

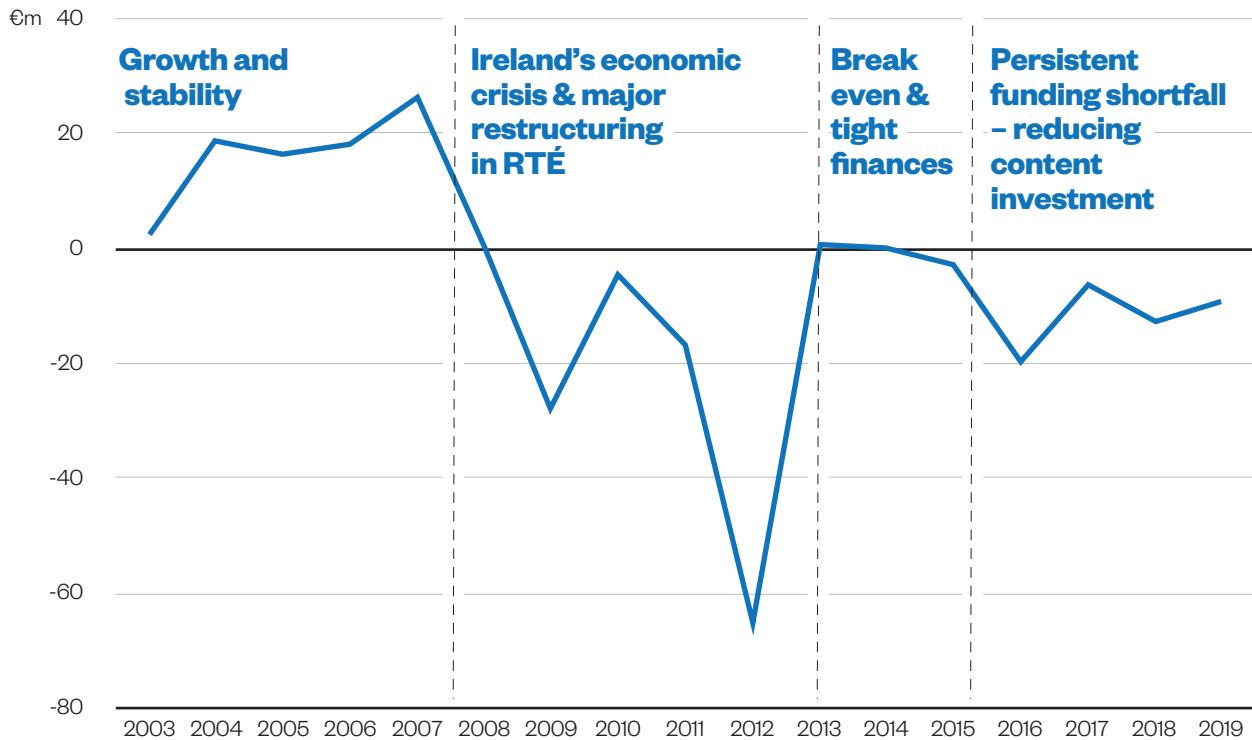
Maintaining a focus on high-quality Irish programming, journalism and content, and investing further in digital distribution, will allow RTÉ to respond to the challenges of a more competitive, increasingly global market.

By focusing on creativity and programming innovation, and by supporting programme makers and journalists, RTÉ can ensure that audiences in Ireland continue to have access to distinctively Irish programming, while helping to sustain a vibrant indigenous production and media sector, so important to Ireland's creative economy.

To do this RTÉ's financial position needs to be secure. Today it is not.

# INTRODUCTION

## RTÉ NET SURPLUS/DEFICIT 2003-2019



Source: RTÉ Audited Annual Reports & Financial Statements 2003-2019

### THE FUNDING MODEL IS BROKEN; MUCH IS AT RISK

RTÉ's public purpose is as valid today as it has ever been. While RTÉ needs to work hard to ensure our ongoing relevance, audience demand for RTÉ's journalism, programming and content remains high.

RTÉ does, however, have a structural funding problem.

The financial crash of 2008/2009 devastated the Irish economy and many sectors, including media. In 2008 RTÉ had total revenues of €440m, in 2019 RTÉ's total revenues were €342m. For the structural reasons outlined above, RTÉ is unlikely to get back to the income levels generated before the crash.

Reform and cost cutting have been a necessary theme in RTÉ for over a decade. RTÉ has reduced its annual operating costs by over 20% (c. €100m) in line with a total fall in income of the same level. In late 2019 RTÉ committed to further reducing its operating costs by €60m between 2020 and 2022. RTÉ is on track to deliver these reductions.

However, cuts alone cannot sustain RTÉ, let alone allow RTÉ to invest to meet the needs of future generations.

Just when RTÉ's income has sharply contracted, changing audience needs and increasing global competition demands that RTÉ increase its investment in its journalism, programming and key technology, so that we can retain distinctiveness and connection with our audiences.

Numerous independent reviews, including the review of the funding of public service broadcasting conducted by the Joint Oireachtas Committee in 2017<sup>1</sup>, have identified the need for increased public funding for RTÉ and structural reform to TV Licence system.

RTÉ does not have adequate resources to deliver against our remit or fulfill our prescribed role.

## **Key decisions are now essential to secure the future of public service media in Ireland.**

Inaction will mean a decline in RTÉ's relevance and financial sustainability. Those who gain from this decline will not be Irish-owned media organisations but, in the main, large international media providers who invest little or nothing in Irish-focused programming or journalism.

Much is at risk beyond RTÉ's own future, from Irish investigative broadcast journalism, comprehensive election and political coverage, international broadcast news coverage, to in-depth coverage of Northern Ireland and national regional coverage, a vibrant Irish TV drama sector, a viable independent production sector, distinctively Irish children's programming, cultural and arts programming, significant investment in Irish sport and Irish-language news, current affairs and radio services. None of these services or activities are sustainable on any scale without a strong and viable RTÉ.

Without a strong RTÉ, what entity or media will do all of these things and much more while being accountable, not to shareholders, wealthy individuals or the government of the day, but to the public? Where will our history, our ideas, our culture, our heritage and all the expressions and iterations of ourselves, be nurtured, sustained and guaranteed for us all?

RTÉ is not perfect; it is the sum total of hundreds of editorial and creative decisions made every day; it is a living, human, idea, a constant work in progress - but a diminished RTÉ does not serve any public interest.

What follows in this submission is RTÉ's view on the key questions that the Commission has asked us to consider.

<sup>1</sup> <https://www.oireachtas.ie/en/press-centre/press-releases/20171128-tv-licence-should-be-replaced-by-broadcasting-charge-communications-committee-report/>

# RTÉ

# ENRICHES

# LIFE IN

# IRELAND



Over **2,000,000 people listen to RTÉ's radio services** every week - 51.9% of the adult (15+) population listened every week in 2019.



RTÉ provides **Ireland's most-trusted and most-comprehensive news and current affairs coverage**, with nationwide correspondents, extensive coverage of European, UK and US news, and specialist reporting. In 2019 more than 1,700 news bulletins and programmes were produced from the newly revamped RTÉ News television studio.



RTÉ provides **unparalleled coverage of national sport free-to-air**, helping to drive national sports participation and help celebrate this aspect of Irish culture. A peak audience of 1,123,300 watched the 2019 All Ireland Football Final replay on the *Saturday Game Live* on RTÉ2. An average of 966,600 viewers tuned in for the game, a share of 72.3% of those watching television at the time. Additionally there were a total of 140,808 streams on RTÉ Player.



As an integral part of the Irish language community in the west of Ireland, **RTÉ Raidió Na Gaeltachta provides a contemporary radio service for Irish speakers, both in the Gaeltacht and beyond.**



RTÉ provides the **widest range of arts coverage and arts programming in Ireland**, with music in all genres, drama, poetry, topical arts coverage, and literature, along with its promotion of national arts events through the RTÉ Supporting the Arts scheme. Through RTÉ lyric fm RTÉ offers Irish audiences a unique broadcast service for lovers of classical and orchestral music.



RTÉ is the **biggest commissioner of content from Ireland's independent creative sector**, showcasing the our breadth of talent and creativity.

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RTÉ provides **Ireland's only dedicated children's media services** in a completely ad-free environment. During April and June, RTÉ's *Home School Hub* provided 11 weeks of educational support to parents and children at home, with 58 hours of lessons and 560,000 streams on the RTÉ Player. The new *After School Hub* continues on RTÉ2.

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**RTÉ delivers the news in Irish across a range of channels**, as well as producing Nuacht TG4 le RTÉ.

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RTÉ.ie and the RTÉ News app received in excess of **3 billion page views** in 2020.

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RTÉ Archives treasures the past and protects the present, **curating Ireland's largest audio visual archive**. In 2019 there were 75 million podcast and clip streams from RTÉ's on-demand audio catalogue.

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**We connect with young people and support Irish artists.**

Now forty years in existence, RTÉ 2fm is the largest station in Ireland for 15-34 year olds, and the biggest promoter of breakthrough talent. Six of the top ten programmes for 15-34s are on RTÉ 2FM, making it the biggest youth station in Ireland, with a market share of 13.8%.

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**We bring people unique experiences.** RTÉ orchestras and choirs performances were enjoyed by audiences totalling over 190,000 in 2019.

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**And we're guaranteed Irish.** RTÉ spends over 80% of total operating costs with Irish personnel and Irish suppliers.

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# 1. ---

## HOW SHOULD GOVERNMENT DEVELOP AND SUPPORT THE CONCEPT AND ROLE OF PUBLIC SERVICE MEDIA, AND WHAT SHOULD ITS ROLE IN RELATION TO PUBLIC SERVICE CONTENT IN THE WIDER MEDIA BE?

### STABILITY AND SUSTAINABILITY

The government should set in place a policy and funding review system which contributes to the stability and sustainability of the sector. The current system is not working. Two successive 5-Year strategy review processes by the Broadcasting Authority of Ireland (BAI) (and numerous annual reviews) have recommended increased public funding for public service media, and yet the TV Licence system has remained unreformed and unchanged despite losing many millions each year.

**The current short-term nature of funding decisions and crisis interventions is limiting the potential for public service media to invest in longer-term projects; makes planning difficult, and restricts innovation.**

Without a stable and transparent mechanism for review, and corollary action, the status-quo will become a strategic stasis, where plans are developed and approved with a view to adapting to audience needs and fulfilling public service obligations, but the funding required to achieve this does not materialise.

The planned establishment of a new regulator in the context of the implementation of the Audio Visual Media Services (AVMS) Directive provides a compelling opportunity to address this issue.

## INDEPENDENT AND BINDING DECISIONS

The independent assessments of the regulator (currently the BAI and soon to be Media Commission) regarding funding decisions should be binding. The current system relies on political will to enact sometimes unpopular or difficult decisions. Any new funding review mechanism should be similar to other consumer review models already in operation for the energy and telecommunications sectors, in which the findings of the regulator are the basis of binding action by way of decisions rather than recommendations.

## MODERNISING THE LEGISLATIVE MODEL

Work first began on the Broadcasting Act 2009 as far back as 2003. The objects relating to RTE's public service obligations are prescriptive and are based on an assessment of audience needs which pre-date the use of digital devices or ubiquitous fixed and mobile broadband. In fulfillment of objectives which are both prescriptive (and dated, for example, teletext and longwave) there is a risk that the continuing requirement to meet all of these objects unduly constrains public service media from responding to change.

If public service media is to adapt to audience needs and behaviour, the inevitable evolution of its online and mobile services should be recognised by a review of the Act, acknowledging that online is a key element of the public service portfolio, not just an adjunct to broadcasting. Much of the language around the discharge by RTE of its public service remit is couched in language that no longer reflects the technological advances in distribution.

Public service media must be effectively aligned with audience needs and expectations, and strategies must be informed by research and consideration. The oversight framework could transition to a more flexible approach, focusing on key public interest principles, aims and outcomes, rather than the preservation of a prescribed list of services. As new priorities emerge, public service media needs the latitude to recalibrate its portfolio of services to align with these needs. At times this will mean the creation or expansion of existing services, but it will also require the cessation of certain activities or services to ensure optimum efficiency, focus and public value.

## **Strategic flexibility will be important as the pace of change in media accelerates, and as audience priorities and interests evolve.**

It is important that all of the elements which would enhance this flexibility are examined in the round in the legislative, regulatory and strategic contexts.

## CREATING AN EQUITABLE OPERATING MARKET

Media is a highly profitable enterprise for those best placed to exploit it. Regrettably, the overall growth in media wealth has not been evenly distributed. In many cases hugely profitable international private enterprises are leveraging significant benefits from the redistribution of publicly funded content, at little or no cost.

Large international social media companies are growing their audiences on the back of journalism and programme investments made by others. While public service media channels and content are often the most-watched on Pay TV services, outdated legislation means that public service media companies cannot negotiate fair value with these platforms. Other countries have already progressed on these issues, introducing relevant levies, legislative reforms and investment obligations.

A guiding principle in the redesign of any future regulatory framework should take these inequities into account. This will benefit Ireland's independent creative sector, and strengthen the sustainability of Ireland's national journalistic organisations, essential to supporting media plurality. This is an area in which Ireland could learn and keep pace with other jurisdictions and is particularly timely with the transposition of the AVMS Directive so imminent.

## MEDIA PLURALITY AND MEDIA LITERACY

Media plurality should be supported. True media plurality exists not only in the number of viable and licensed services, or in media ownership; it is also in the breadth of choice, and quality of offering. The monitoring and regulatory structures should be reflective of these wider objectives also.

Ireland does not have the extremes of highly opinionated broadcast media prevalent in the US, Australia, and other markets. This is largely due to the duties of all broadcasters (both public service and commercial) as set out in Section 39 of the Broadcasting Act 2009 and the broadcasting codes developed by the BAI.

While tone and style vary across different broadcast channels, the law ensures that all news is reported in an objective and impartial manner; and that the broadcast treatment of current affairs and matters of public controversy and debate is fair to all interests and presented in a fair and impartial manner. In both news reporting and current affairs debate, any expression of the broadcaster's (broadcast entity/company rather than presenter/journalist) views is prohibited.

In RTÉ's view these provisions should be maintained.

**It has served Ireland and Irish public life well that in an increasingly fragmenting media and social media market, news and current affairs broadcasting remains impartial, fair and as objective as possible.**

Indeed, there are regulatory norms in broadcasting that could be applicable to other parts of the media sector, particularly if the Commission is considering new financial supports for journalism beyond broadcasting or considering how social media content might be regulated.

Government has an important role to play in supporting media literacy across society. The unfettered access to all kinds of media offers unparalleled levels of choice, but it also greatly increases inherent vulnerabilities to misinformation and manipulation, particularly for vulnerable groups, specifically children. In the same way that the Government invests in food safety and consumer rights campaigns, similar levels of empowerment and protection should be created in terms of media consumption.

#### **SUSTAINING THE INDEPENDENT PRODUCTION SECTOR**

The role of the independent sector in contributing to audience experience should not be underestimated. The sector is comprised of agile and experienced programme makers, many of which create content to international acclaim and standards. It is regrettable that the sector has sustained deep cuts in expenditure over recent years, directly related to the declines in revenue experienced by RTÉ in particular.

RTÉ broadcasts a blend of in-house and commissioned programmes to ensure value and diversity of programming for Irish audiences. RTÉ is mandated in legislation to invest a minimum of €40m a year on independent productions, and we want to invest much more than this every year. When we had the resources, we did so (2008 - c. €80m).

Any revision of the statutory provisions on investment in the sector should be considered in the context of RTÉ's overall obligations, financial position, and strategic priorities.

## HOW MIGHT PUBLIC SERVICE MEDIA BE MORE EFFECTIVE IN PROMOTING THE IRISH LANGUAGE, SPORT AND CULTURE?

Irish-language programming, national sports and national games, and national cultural programming and features, are central to RTÉ's role and remit. These are important elements in our culture, our society and our communities - audiences in Ireland quite rightly expect to find these elements on their public broadcaster.

Some programming and content of this type will not attract a large audience. That does not mean it is not valuable, but rather its appeal is more specialist or niche. Nor does it mean it is less costly to produce. Audience expectation regarding the quality of specialist programming is the same, if not greater, than that of more popular programming. Free-to-air, universally accessible broadcasting (and web publishing) is critical to promoting areas like Irish-language, minority sport, and cultural programming. One of the key features of linear public service schedules and web curation is that niche or specialist programming and content sits in between very popular news or entertainment programming. This creates a rich serendipity; whereby broad audiences are encouraged to engage with subjects or programming that they might not otherwise have considered. This is why, for example, *Nuacht* on RTÉ One (a mixed-genre channel with broad popular appeal) gets a significantly larger audience than *Nuacht* on TG4. This practice has been a cornerstone of public service media since its inception. This is in contrast to specialist channels and on-demand services, which cater for niche interests but do not seek to engage broad audiences.

Premium sport is different. Many broadcasters (both public service and commercial), alongside technology and telecommunications companies, are interested in acquiring premium sports rights. Sport drives Pay TV subscriptions, broadband sales and, in the case of Amazon, e-commerce. For RTÉ, the rationale is simple: offering free-to-air sport is central to our remit. It ensures that everyone, regardless of their means, can access their teams, games and events. It ensures that we can all share in the experience of watching our county, our club and our national teams, together.

**In 2020, playing in front of an empty Croke Park, 783,000 tuned into RTÉ to watch Limerick and Waterford battle for the All Ireland Hurling final, with close to a million tuning in to watch Dublin beat Mayo in the All-Ireland Football final the following week. Our games, our culture - accessible to everyone.**

There will always be a blend of free-to-air and pay-per-view sport; such a blend is necessary to maximise access and bring in revenues for rights holders. The Government, through its designated sports listing system, should continue to mandate that certain key sporting events and competitions remain accessible free-to-air. RTÉ believes this public policy tool will ensure that all parts of the community retain free-to-air access to key sports on television.

### **HOW MIGHT PUBLIC SERVICE MEDIA BETTER RESPOND TO THE NEEDS AND EXPECTATIONS OF THE PUBLIC? WHAT CAN WE LEARN FROM OTHER JURISDICTIONS?**

#### **A ROBUST CREATIVE SECTOR**

The creative and media industry has interdependencies. The ability of RTÉ to consistently respond to the needs and expectations of different audiences is reliant on the sector as a whole. For example, to offer Irish audiences high-quality and diverse Irish drama, RTÉ needs a rich pool of writers, directors, producers, and actors, all of whom need consistent opportunities if they are to stay in Ireland. The same is true of comedy and music.

### **RTÉ'S ROLE IN SUPPORTING THE INDEPENDENT CREATIVE SECTOR**

RTÉ is the largest investor in Ireland's independent sector, who in turn provide high-quality, distinctively Irish content to audiences in Ireland, from drama, comedy, and entertainment to children's programmes and more. RTE also works in partnership with Screen Producers Ireland, Animation Ireland and Screen Ireland to create quality Irish content.

Under the Broadcasting Act 2009, RTÉ has a statutory obligation to invest in the independent sector. In 2019, total expenditure was €41.6 million, substantially less than the peak spend a decade ago, at €76.5 million. As noted in an independent report commissioned by the Broadcasting Authority of Ireland in 2018<sup>2</sup>.

**“Expenditure on original Irish TV content is dominated by the PSBs, led by RTÉ. The content budgets of the commercial operators in the market, are almost entirely comprised of sport and acquired content.”**

2 [https://www.bai.ie/en/media/sites/2/dlm\\_uploads/2018/04/180410-Mediatique-Report.pdf](https://www.bai.ie/en/media/sites/2/dlm_uploads/2018/04/180410-Mediatique-Report.pdf)

For a sector to grow it needs predictability of investment. The UK's approach to supporting and developing its creative industries is a good example of what can be achieved. Over the past decade the Irish creative audio-visual sector has had the opposite experience, with declining investment and unpredictable funding leading to reduced creative opportunities.

In recent years, largely due to financial constraints, RTÉ has had to cut back our investments in television drama and other independently produced programming. This has made RTÉ's schedules somewhat unbalanced, and has negatively affected audience share and profile, diminishing RTÉ's place in the creative economy.

RTÉ wants to lead a strong Irish creative audio-visual sector, and to be a home to the best creative talent in the country.

## **Audiences in Ireland have a right to expect RTÉ to find and support new voices and new talents and offer new perspectives.**

For those that have enjoyed success, particularly internationally, we must make RTÉ a place for them to return to and work with.

### **DIVERSITY**

In order to stay relevant, and meaningful, it will be essential that Ireland's public service media reflect the lives and communities of the people that live here. Ireland now has one of the most diverse populations within Europe. Our communities are comprised of individuals who have a breadth of life experiences and perspectives. Ireland's media overall has to evolve to more accurately reflect the true composition of Irish society today. RTÉ must play a leadership role in doing so.

The voices that are heard and the stories and topics that are given public space everyday on RTÉ's services all result from choices and decisions made by our editors, programme-makers and journalists – we must ensure everyone and every community is included.

Improving diversity on air is a challenge that is not unique to Ireland; many of our European counterparts have reported mixed success. Our challenges have been exacerbated by a lack of diversity within RTÉ's workforce, which in itself has been hampered by a period of reducing employee numbers, and limited recruitment opportunities. In 2019, RTÉ appointed its first dedicated Diversity Lead, and published its Diversity Charter, where our plans are outlined.<sup>3</sup>

<sup>3</sup> <https://static.rasset.ie/documents/about/2018/11/20472-rte-diversity-strategy-documentv3-2.pdf>

In terms of how Government can assist, targeted funding supports are critical in areas such as training and internships, as well as dedicated content funding for inclusive programming, measurement and monitoring. What is clear from other jurisdictions is that increasing diversity in media requires concerted action from Government, regulators, and media outlets; it won't happen without it.

Both the BBC and Channel 4 have shown strong levels of ambition and audience impacts in this regard. Both have continued to innovate and constantly reappraise their approaches to diversity and inclusion, in terms of their content and their workforce. Reflecting diverse societies, connecting with new audiences and finding new talent are a challenge for public service broadcasters across Europe, but one that is central to our remit.

### **YOUNG AUDIENCES**

Attracting and retaining younger audiences is a key strategic challenge for public service media everywhere, including RTÉ. Younger audiences have never been without the internet, the smart phone, on-demand video services, social media and access to the best programming and content from all over the world. They are a generation for which RTÉ is only one of many sources of news, entertainment and information.

In 2019 RTÉ had a weekly reach of c. 38% of the youth market (15-24 yrs) on both television and radio.<sup>4</sup> This puts RTÉ in the mid-tier of European broadcasters in terms of its reach with youth audiences. We want to do better.

## **In recent years RTÉ has made choices and investments to strengthen our relationship with younger audiences.**

RTÉ 2fm has been re-profiled in the last five years to connect with younger audiences. This project has involved huge changes at the station – changing presenting talent, bringing in more young female presenters; changing the music; investing in live music experiences; and developing stronger social media and digital content and campaigns. RTÉ 2fm is now the country's leading station among young people. It is also RTÉ's key connection point with younger audiences every week, reaching 343,000 15-34 year olds. By way of comparison RTÉ 2fm retains a higher share of youth audiences in Ireland than BBC Radio 1 does in the UK.

<sup>4</sup> [https://www.ebu.ch/files/live/sites/ebu/files/Publications/MIS/members\\_only/psm/EBU-MIS-PSM\\_Barometer\\_2020.pdf](https://www.ebu.ch/files/live/sites/ebu/files/Publications/MIS/members_only/psm/EBU-MIS-PSM_Barometer_2020.pdf)



Investments by RTÉ in recent years, in digital services and infrastructure, are now paying dividends. The RTÉ News App, RTÉ Player and RTÉ.ie are each seeing strong growth overall, but particularly with younger audiences.

Central to the growth of these services is RTÉ's journalism, programming and content – and 2020 has seen significant growth in RTÉ's younger audiences as they, like all other audience groups, turn to RTÉ for news, information and entertainment. A range of TV programmes have resonated with younger audiences on both the linear schedules and on RTÉ Player: the main news bulletins at 6 and 9 O'Clock; Claire Byrne Live and Prime Time; the Late Late Show; Normal People; Young Offenders; the Tommy Tiernan Show; DIY SOS and live sport (GAA, Champions League, Autumn Internationals).

Once the pandemic abates, the challenge for RTÉ in retaining younger audiences will be our capacity to invest in TV programming that performs well both on linear broadcast and on-demand, particularly high-quality Irish drama.

Similarly, younger audiences expect RTÉ's audio and video streaming and online services to be comparable to the best services in the market, and RTÉ's capacity to invest in its digital services and infrastructure will have a bearing on its longer-term relationship with younger audiences.

### **CLIMATE CHANGE AND SUSTAINABILITY**

Climate change, or more accurately, the societal and economic adjustment to a de-carbonised world, will be a central theme in all our lives in the coming years.

**RTÉ has a leadership responsibility to both interrogate Ireland's climate change policies, while also strengthening public understanding of the impacts these changes will have on people's lives and livelihoods.**

Given the current level of climate crisis, all sectors should make a contribution to the solution. Environmental and sustainability issues have long been reflected in the programmes and content we make but it is important that these standards are also embedded in our operations.

1.



**In 2019 RTÉ launched the week-long cross media initiative RTÉ on Climate, which included a global first ‘youth assembly’, where young people took over Dáil Eireann to debate and agree their recommendations for climate action.**

Across the week 52% of adults saw, read or heard about RTÉ on Climate week and a total of 1.6 Million (44%) Irish Adults watching, listening to, or reading RTÉ on Climate content. 40% of those surveyed said that the RTÉ On Climate initiative made them reflect on changes we need to make as a society with 30% indicating it inspired them to make a change in their life. This is an example of the type of impact RTÉ can have and it is important that we consistently maintain our focus on societal themes as important as climate change.

RTÉ has shown leadership in piloting Project Albert (a bespoke means of calculating broadcasting carbon emission) but there is much more that we must do, and we are engaging with relevant expertise across the European Broadcasting Union and at a national level with other Irish broadcasters.

## WHAT IS THE BEST MODEL FOR FUTURE FUNDING OF PUBLIC SERVICE MEDIA IN IRELAND? WHAT APPROACH BEST SUPPORTS INDEPENDENT EDITORIAL OVERSIGHT WHILE ACHIEVING VALUE FOR MONEY AND DELIVERING ON PUBLIC SERVICE AIMS?

Retaining close to 30% share of TV and radio audiences together with strong performing on-demand and online services, and supported by both public funding and restricted commercial revenue, RTE holds a position in Irish life and the Irish media market consistent with that of broad-based PSMs in many countries across Europe.

### **A REFORM OF RTE'S DUAL-FUNDING MODEL IS THE BEST APPROACH**

With the right reforms of the TV Licence system (as suggested below), implemented swiftly, a continuation of the dual-funded model (both public and commercial revenue) is the best option.

**By combining public income with commercial revenue, the model guarantees appropriate funding is available to invest in high-quality programming and a breadth of public service objects, while minimising the burden on individuals and households.**

It ensures that Ireland has a media entity that can compete against some of the best-resourced international public service and commercial media organisations in the world. It was the aspiration that guided the establishment of RTÉ in the 1960s in relation to the BBC but perhaps is even more relevant today given the growth of global competition for Irish audiences. In parallel, the commercial restrictions placed on RTÉ, by reducing its advertising minutage (RTÉ has half the advertising minutage of its domestic competitors on radio on TV) seeks to balance RTÉ's market impact.

**Every funding model has strengths and weaknesses but overall in RTÉ's view this is the most viable and practical model to fund Ireland's largest public service media organisation and guarantee RTÉ's public service objects as set out in legislation.**

#### **TG4'S FUNDING MODEL**

TG4 has a different model to RTÉ, whereby it receives direct exchequer funding instead of TV Licence income, along with a small proportion of commercial revenue. This model has proven resilient and successful for TG4. In contrast to RTÉ that experienced total revenue reductions of over 20% over the past decade, TG4's total revenue has remained largely stable over the period. RTÉ notes that the BAI's recommendations for increases in TG4's public funding have been implemented in full by Government in Budget 2021, providing them with sufficient resources to deliver on their remit.

RTÉ and TG4 work closely together. RTÉ's provision of an 'hour a day' of Irish-language television to TG4 is an additional key support mechanism for audio-visual content in the Irish language nationally; this spans all genres, and importantly covers the full provision of *Nuacht* on TG4. This obligation is a c. €7.5m investment by RTÉ in TG4's schedules each year, adding significantly to TG4's own c. €26m investment in Irish-language programming.

In recent years RTÉ and TG4 have built on and enhanced their level of co-operation and partnership, ensuring quality Irish-language programmes are produced and made widely available to audiences on both services.

#### **A DEVICE-INDEPENDENT MEDIA CHARGE**

The broken and out-dated TV Licence system in Ireland is well documented. 12% of households (and rising) do not have a television and are therefore not eligible to pay the TV Licence. The cost of collection is higher in Ireland than the European average, and evasion levels are also significantly higher, at 13% of eligible households.

## Introducing a device-independent Media Charge, payable by all households, can fix these problems. This approach benchmarks well with developments across Europe.

While fees remain the predominant funding model and the cornerstone of revenues, the clear trend is to de-couple fees from traditional devices. PSM funding trends across Europe show that a fee, as opposed to direct exchequer funding, provides for greater stability of funding over time. This was also the conclusion of the Joint Oireachtas Committee on Communications November 2017:<sup>5</sup>

### RECOMMENDATIONS FROM THE JOINT OIREACHTAS COMMITTEE ON THE FUTURE FUNDING OF PUBLIC SERVICE BROADCASTING, NOVEMBER 2017

The current TV licence funding model is not fit for purpose and should be replaced by a household-based broadcasting charge which would be collected by the Revenue Commissioners, a new report from the Committee on Communications, Climate Action and Environment has recommended.

The report follows detailed and comprehensive examination of the public service broadcasting landscape in Ireland, in particular the requisite level of public funding required for stations to fulfil their public service objectives, the future of the licence fee and access to advertising revenue in an ever-evolving digital era.

The report's recommendations are:

- The committee is conscious of promoting a sense of fairness and equity and highly recommends that the concessions which are presently available to social welfare recipients are retained with any funding model.
- A broadening of the applicability of the existing charging regime be expanded to capture every household consuming media regardless of the technology used. Such a new regime would incorporate all households and not just those in possession of a traditional TV set.

- That the introduction of a non-device dependent public service broadcasting charge (household-based) is feasible, efficient and practical considering the increasing threats to sustainability of current licence fee revenues.
- The responsibility for the collection of the TV License Fee collection should be assigned to the Revenue Commissioners.
- That the existing proportional allocation of licence fee monies be scrutinised and revised to ensure that any monies realised by the implementation of the anti-evasion strategy are provided to a diversity of existing and new sources in a fair and equitable way.
- Restoring the Department of Employment Affairs and Social Protection funding cap for RTÉ.
- Licence fee to be reviewed in the light of Consumer Price Indexation (CPI).
- The committee agree in principle to the introduction of retransmission fees and give RTÉ the capacity to negotiate with suitable platform providers (without prejudice to meeting their public service obligations).

<sup>5</sup> <https://www.oireachtas.ie/en/press-centre/press-releases/20171128-tv-licence-should-be-replaced-by-broadcasting-charge-communications-committee-report/>

## With the right reforms, RTÉ estimates that up to an additional €50million could be collected, and in turn be invested in public service programming and content.

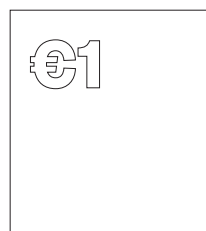
This will not only improve fairness for those payees who currently subsidise the system for others; it will also mean the creation of hundreds of more hours of distinctively Irish content and stories every year.

The European Broadcasting Union estimates that for every €1 invested in public media, an additional €2.5-€2.7 is generated for the economy. Shoring up funding can therefore play a lead role in Ireland's post-COVID recovery, bolstering Ireland's creative and audio-visual sector, as well as the wider economy. If there is no action, RTÉ will not be able to return to a stable financial position, will not be able to reinvent itself for future generations, and will not be able to fulfill our remit or maintain much of what we do today.

There are other strong positive correlations for properly funded PSMs. Adequate and secure funding strengthens engagement with the public and audience performance, and in parallel this helps to strengthen a healthy democratic society<sup>6</sup>.

### ECONOMIC IMPACT OF PSM EXPENDITURES

**Each euro invested in funding PSM generates from €2.5 - €2.7 in the economy**



PSM

The Economy

Source: EBU based on studies from VRT (Belgium Flemish), RTBF (Belgium French), TG4 (Ireland), RAI (Italy), RSI (SRG SSR, Switzerland)

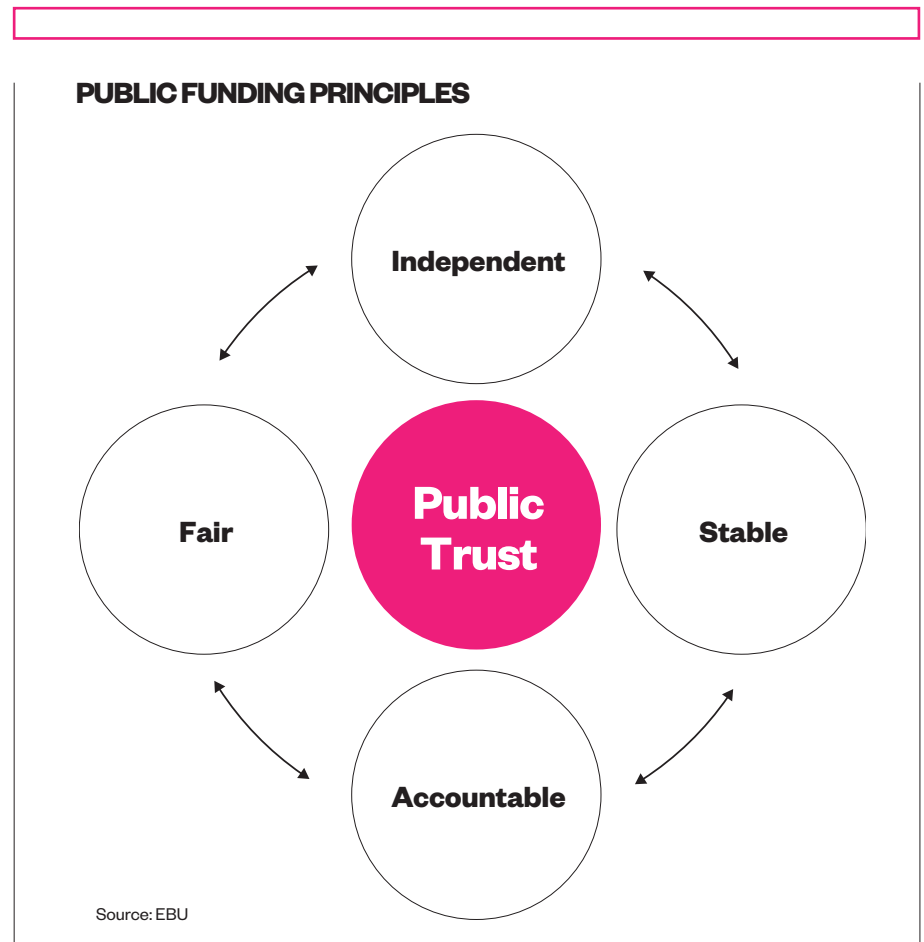
**FAIRNESS, INDEPENDENCE, ACCOUNTABILITY, AND STABILITY**

The rationale for RTÉ's recommendation draws on our own experience of the challenges of the current TV Licence system and on the four best-practice PSM public-funding principles established by the EBU.

These are that

- funding is 'stable & adequate'
- independent from political interference
- fair & justifiable
- transparent & accountable

In RTÉ's over-arching proposal of a Media Charge, the additional reform proposals outlined below fully align with these principles.



RTÉ suggests that the new device-independent Media Charge should be collected by Revenue or another collection agent, with a well-structured and incentivised contract (for a minimum 5-year period), designed to increase receipts and minimise collection costs. Either option would improve accountability, efficiency, and transparency, all of which contribute to increased public acceptance.

To strengthen and underpin RTÉ's independence, we suggest the level of the Media Charge should be CPI-linked and performance-based, adjusted annually on foot of the recommendations of an independent regulator. RTÉ is already the subject of annual and multi-annual public funding and performance reviews by the BAI. These evaluate if RTÉ is efficiently and effectively fulfilling its public service objects as well as the organisation's public funding requirements. The BAI then make a funding recommendation to the Minister.

Notwithstanding frequent recommendations for increases from the regulator and rising inflation, the level of the TV Licence fee has not increased for over a decade. In relative terms therefore, it has actually decreased. Ireland's fee equates to 0.23% of GDP per capita (placing us in the lower third across Europe, just ahead of Greece and Albania). It was at 0.29% per capita just over five years ago.

**Providing the regulator with powers to independently determine the fee, based on performance and evidence (already collected), would mean funding decisions are at arm's length from Government.**

This would offer the dual benefit of copper-fastening RTÉ's independence from any potential political pressures, and providing for greater stability of funding by allowing the fee to keep pace with inflation. The regulator is obliged by law to be independent.

Ireland's TV Licence problem is fixable and there are many models and successful case studies across Europe to choose from. Germany, Italy, and Switzerland have adopted models similar to the one proposed here, while many of the Nordic countries have gone down a similar route via a tax-based system. RTÉ has set out its preferred option above, however the primary message is that urgent reform is required to sustain Ireland's largest public service media.

## WHAT OPPORTUNITIES EXIST TO DEVELOP AND IMPLEMENT BUSINESS MODEL AND ORGANISATIONAL CHANGES WITHIN THE PUBLIC SERVICE BROADCASTERS (RTÉ AND TG4)?

### RTÉ'S REVISED STRATEGY 2020-2024

RTÉ continually evolves its offer and how it organises itself to best meet audience needs, while driving increased efficiency. In our Revised Strategy 2020-2024<sup>7</sup>, we set out that *the future of RTÉ, and public service media, is a new blend of complementary live and on-demand services, offering audiences compelling and varied programming and content, at times and on devices that suit them*. Included in this transformation plan is a major restructuring programme aimed at delivering €60 million in cost reductions and reforms over three years. We are on track with this implementation.

Digital behaviours are firmly established among all audiences and, while linear has proven remarkably robust amid the exceptional challenges of 2020, there is a rapidly accelerating uptake of subscription video-on-demand (SVOD) services. Over the past 15 years RTÉ has invested in its streaming and on-demand offerings, which have seen significant growth in the last few years, and notably over 2020. Public funding reform should release the much-needed digital investment required to assist RTÉ in continuously improving our on-demand offer, where we compete with major global media giants, who indeed have much deeper pockets.

### ENSURING UNIVERSAL PUBLIC SERVICE MEDIA ACCESS

The supporting distribution model for PSM content provided for in the outdated Broadcasting Act 2009 (“the Act”) envisaged a predominantly linear broadcasting environment. In this legislation, the fundamental principle of universal access to PSM was realised through free-to-air broadcasting and prominence on Electronic Programme Guides (EPG), despite a lack of effective legislative and regulatory supports. In the current era, discoverability, choice, and consumption no longer take place exclusively on traditional broadcast channels.

<sup>7</sup> <https://about.rte.ie/2019/11/07/rte-strategy-2024/>

## **Video content is moving to online distribution. The displacement of traditional broadcast distribution to internet (whether through fibre, 4G or 5G) will have consequences right across the media market.**

While FM remains the key distribution model in Ireland for live radio, both linear radio and on-demand audio are seeing growth in listening over IP (Internet Protocol). Realising the concept of universal free-to-air access PSM in a post-broadcast world is a complex subject that requires careful consideration.

Where IP is the distribution model, the provision of access to PSM is outside of our control, and is largely unregulated, with broadband and streaming-service providers the gatekeepers. In this environment RTÉ can no longer guarantee the quality level of service to our audience, because we do not own or manage the networks. Many major SVOD services pay to ensure their streams reach homes at required speeds. The question of whether regulatory reforms should provide PSMs with privileged access to IP networks to deliver the concept of universal access will need to be addressed.

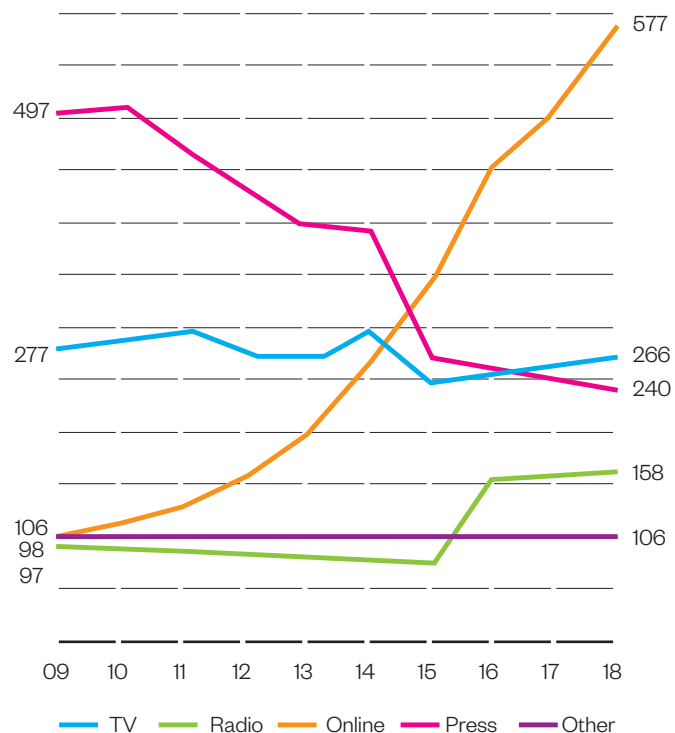
There are other challenges in an IP distribution environment. Where audiences access their PSM content and services via broadband or streaming services only, there are no guarantees that PSMs receive any consumer behavior data from the third-party gatekeepers. This means we cannot understand and best-respond to new consumer behaviours. There is also an expectation that RTÉ will be on each and every distribution platform, which flows from the obligation of universal availability. In an IP environment, where there is an increasing myriad of streaming services and device-manufacturer gatekeepers, it is market forces that determine what content and services are included and what is afforded prominence. Absent new supporting regulatory changes that ensure PSM should be made available (and prominently displayed), universal access may not be achievable.

While RTÉ notes that many of these challenges highlighted are not explicitly within the scope of this Commission, these are matters that policy makers should begin to address immediately.

## WHAT DOES THE SHIFT IN ADVERTISING REVENUES TOWARDS BIG TECH FIRMS MEAN FOR THE FUTURE OF PRINT, ONLINE AND BROADCAST MEDIA?

The other side of RTÉ's dual-funded model is commercial revenues, which have come under considerable pressure due primarily to the shift in advertising revenues to global tech and media firms.

**ADVERTISING REVENUES (IRELAND) 2009-2018**



[Re-version graph] Source: EBU Country Report (Ireland)

The traditional core PSM revenue stream of advertising on television and radio is in overall decline, albeit radio is proving more resilient. This trend continues, notwithstanding the strong audience performance of RTÉ's more traditional media. For this reason RTÉ is innovating and diversifying its commercial activities, and while this will not compensate in full for the adverse impact of these market dynamics in advertising revenues, it will go some way towards mitigating the trend.

### REGULATORY FLEXIBILITY TO ENABLE INNOVATION

To mitigate the shift in advertising revenues to big tech firms, RTÉ's strategy is to diversify and innovate its commercial revenue generation. This includes live ticketed events, new digital and streaming activities and services, and new commercial partnerships of different kinds.

## **To pursue commercial innovation successfully, and to enable RTÉ to respond to audience needs in a more timely way, RTÉ will require some regulatory flexibility.**

This will help protect the on-going sustainability of the dual-funding model, which secures the balance of revenues for distinctively Irish content, including niche public services that have limited or no commercial appeal.

RTÉ's commercial activities, which fund PSM content and services, are bound by certain regulatory restrictions, and we acknowledge this is appropriate given our receipt of public funds. Greater and proportionate flexibilities, which will foster innovation, could include easing some of the restrictions in ex ante consent requirements for example, by providing minimum thresholds that RTÉ can innovate within, such as time-periods or levels of revenue earnings. Easing of restrictions would allow RTÉ to better exploit commercial opportunities and trial new services and models. Flexibility within RTÉ's use of its existing commercial minutage (which the revised AVMS Directive permits) would boost advertising revenues and would also improve the audience experience during live sport or movies.

RTÉ's response focuses on its own commercial considerations, however we recognise that the market dynamic - revenue shifting to big tech - has created acute challenges for other domestic media outlets, including print and local radio, both of which RTÉ consider critical to a healthy, diverse and pluralistic media market for audiences in Ireland.

## **WHAT ROLE IS THERE FOR ALTERNATIVE FUNDING MODELS FOR PUBLIC SERVICE CONTENT PROVIDERS – VOLUNTARY, COOPERATIVE, CROWDSOURCING, SUBSCRIPTION?**

While this question specifically pertains to non-publicly owned media providers, RTÉ contends that a purely subscription-based model, in place of a licence fee or Media Charge, is not one that could adequately support the delivery of RTÉ's extensive public service objects. A subscription model would also undermine the public service principle of universal access. That said, in line with our commercial diversification plans, SVOD and pay-per view are appropriate ancillary commercial activities that could support RTÉ's overall free-to-air offer.

## CREATING AN EQUITABLE OPERATING MARKET

In addition to reforming the TV Licence system, there are other mechanisms that could be introduced to increase funding of PSM content and provide broader financial supports to the media sector. These could help to ensure that those operators that earn significant revenues within the Irish market, but do not currently contribute in any significant or meaningful way to the long-term sustainability of the sector, make a fairer contribution to domestic content creation.

RTÉ, TG4, and the members of the audiovisual sector, recently commissioned Indecon to conduct an *'Analysis to Inform Potential National Media Creative Content Fund'*. Imposing a levy on audiovisual service providers, located within and outside the State, targeting audiences and earning revenues in Ireland, could be used to establish a contestable fund. This could address the persistent under-investment in Irish audiovisual content.

Taking account of leverage opportunities (through other national and international funding sources), Indecon's estimates suggest that such a fund could generate income of up to €100-400 million over an initial five-year period for the Irish content production sector. This could help the viability of the sector, delivering additional scale and employment, and increasing Irish premium 'storytelling' (TV drama, animation and premium factual programming).

There are a range of successful European precedents Ireland could draw on if introducing such a levy-mechanism and the proposal is aligned with the provisions of the EU's Revised AVMSD. RTÉ welcomes the inclusion of the potential for this fund-type in the draft Online Services and Media Regulation Scheme, published by Government in December 2020.

Another option is imposing a levy or 'digital tax' on social media platforms that benefit significantly from carrying news and journalism on their platforms. Such mechanisms, which are progressing in countries like Australia and the UK, would help to support and sustain quality Irish journalism (from both public service and commercial media organisations), so vital to a robust democratic society. This area is complex and merits detailed consideration; there are significant developments already afoot in other markets to learn from.

There are a range of existing schemes in Ireland that fund or provide financial incentives for the creation of PSM content e.g. contestable schemes such as the BAI's Sound & Vision Scheme or Screen Ireland, and the S481 tax relief scheme. RTÉ fully supports the existence and objectives of these schemes.

## HOW SHOULD MEDIA BE GOVERNED AND REGULATED?

**National media policy and legislation is in need of overhaul, given the many changes in human behaviours and business models during the last decade.**

The transposition of the Revised AVMSD, via the draft of the new Online Safety and Media Regulation Scheme, which will become the Online Safety and Media Regulation Bill next year (“the Bill”), will drive through some of what is required for today’s media environment. This will see the establishment of a new Media Commission (replacing the BAI), with oversight and enforcement powers. However, aside from increasing the regulatory scope of the new Media Commission to enable it to regulate on-demand and designated online platforms, many of the existing provisions of the Broadcasting Act, 2009 appear set to be simply transferred or transposed in the new Bill.

The time is now to review and redraft core provisions of the 2009 Act to re-define the public service objects and remit of PSMs in a way that reflects a different audiovisual media landscape than that which existed over ten years ago. Much of the Broadcasting Act 2009 concerns itself with free-to-air delivery of PSM content, and analogue switch-off, and in that regard extensive consideration is given to licensing provisions for commercial DTT and sound broadcasting multiplexes, which are now, in light of future broadband/5G and other distribution methods, arguably outdated propositions for the commercial sector. At the same time RTÉ remains obliged to offer a free-to-air DTT service Saorview.

The 2009 Act obliges RTÉ to offer a wide range of prescribed services, some of which are outdated, and which also constrain RTÉ in responding to changes in the market, as well as changes in audience expectations and requirements. The drafting ignores the fact that the dual funding system, which the legislation supports, is in need of reform. Whilst certain terminology in the context of the changing audiovisual landscape will be brought up to date in the new Bill, many outmoded references (such as reference to “television sets” in the context of requiring a television licence) look set to remain unchanged. The funding model of RTÉ, and the TV Licence, is in need of urgent reform. A review of provisions of the Broadcasting Act 2009 needs to be undertaken urgently, and the proposed Online Safety and Media Regulation Bill offers the opportunity to do so.

**PROMINENCE - IF WE HAVE PSM, IT SHOULD BE EASY TO FIND**

There is currently an ineffective policy in respect of prominence, i.e., ensuring PSM content and services are easy to find. Ireland's PSMs are facing increasing challenges in securing prominence for their content and services on broadcast and distribution platforms. The value of traditional EPG prominence has diminished and discoverability is driven by how television platforms and smart TV manufacturers design their 'home' pages, where prominence is bargained for by multi-national media and technology giants. Commercial bargaining power, the primary way in which any PSM prominence is actually achieved, is weakening for RTÉ (and the situation is even more acute for TG4).

**If the existence of public service media is a central part of Ireland's media policy, this is of little value if audiences cannot find its content or services.**

Irish audiences value PSM and believe it is important, and so it should be easily discoverable. We call on this Commission to recommend that the Irish Government ensure prominence for PSM's linear and non-linear content and services (as well for other services of general interest, such as Virgin Media) on television platforms and content gateways via the new Bill. These reforms should also close out on existing jurisdictional anomalies so that the new Media Commission (replacing BAI) can fully regulate and enforce prominence requirements among those distributing content and services within Ireland.

RTÉ welcomes the opportunity to create a content levy as set out in the new Bill. As a principle, should any such levy be introduced, or other mechanisms that might create contestable funds for public service content, RTÉ urges that any resulting funds are only accessible to regulated entities and organisations who have contributed to the levy.

RTÉ's response to Question 2 also includes our views regarding the easing of regulatory constraints on our commercial activities, so as to allow greater freedoms to innovate as necessary.

**INDEPENDENT REGULATION WITH BINDING POWERS**

The BAI regulates RTÉ and conducts annual and multi-annual public funding and performance reviews. RTÉ is of the view that this oversight provides for good governance and transparency in its use of the public funds it receives. The regulator should also consider not only the adequacy of RTÉ's public funding but, given RTÉ's dual funding model, the adequacy of RTÉ's total funding to deliver its remit. This would give a much more accurate assessment of RTÉ's financial capacity and performance.

As outlined in response to Question 2, RTÉ suggests of these (i.e. the BAI's or, in future, the Media Commission's) public funding recommendations should be binding and acted upon within a specified timeframe, removing the requirement for Ministerial response.

As referenced in Question 1, this would serve to de-politicise any public funding decisions, which could be wholly based on the independent regulator's evaluation of performance, CPI, and RTÉ's total funding requirements necessary to fulfil its public service obligations. It is possible to devise a transparent formula that takes account of these factors (as well as the mechanics of the proposed new device-independent Media Charge) in order to determine the supporting household fee for the year ahead. Regulators in other sectors, such as utilities or telecommunications, have powers to set tariff levels, so this concept and principle could be readily transferred across to PSM funding.

# CONCLUSION

There have been numerous independent reviews of public media in Ireland over the past decade. Unfortunately they have not resulted in the necessary reform.

The result has been a significant contraction in investment in Irish broadcast journalism and programming over the past decade. Investment by RTÉ in the independent production sector has reduced from over €75m per annum in 2008 to €40m now. RTÉ's investment in drama and children's programming has more than halved, and investment in factual programming has reduced by a third. This is not good for RTÉ, for audiences in Ireland, or the Irish creative and media sectors.

This contracting RTÉ has not resulted in any growth in the Irish commercial sector. Rather it has seen the further dilution of Irish culture and Irish creative expression, with more UK and US programming and content being distributed into Irish homes. Further erosion of RTÉ's financial position will accelerate these trends.

RTÉ hopes this Commission and its work will result in real action to secure the future of not only public service media in Ireland, but the broader Irish media and creative audio-visual sector.

**Central to this must be the reform of the TV Licence system. The benefits of fixing the broken TV Licence system, alongside other reforms, will be transformative for the sector and audiences in Ireland.**

# CON — CLUSION

The time is now to:

- secure RTÉ's core public service purpose at the heart of Irish life, for future generations
- ensure that, no matter how technology and distribution changes, Irish public service channels and programming are easily located and accessible for Irish audiences
- ensure audiences in Ireland benefit from increased investment in Irish programming, e.g. TV drama, children's programming, Irish-language, cultural programming, natural history, and coverage of minority sports
- give RTÉ the resources to invest in digital infrastructure and services to allow Irish audiences access programming where and when they want
- increase investment in the Irish independent production sector, both through increased RTÉ investment and an expanded Sound and Vision Scheme
- ensure the public funding system for media in Ireland is fair and reflective of modern media consumption – whereby all households contribute and everyone benefits
- support the provision of public service programming and content outside of both RTÉ and TG4
- ensure that those media organisations that generate large revenues in Ireland make a fair contribution to the media and creative sector here.

All of this and more is possible. Public media does not belong to any one of us, it belongs to us all. It is within us to choose the type of public discourse we want. It is within us to choose the structure of media regulation and the public service media provision we want. It won't happen without clear decisions and actions.

As the world seeks to recover from this most difficult of periods, RTÉ is committed to being an organisation for these times, fit for the society we serve and fit to play our part in helping shape Ireland's future.

RTÉ looks forward to engaging with the Commission in the months ahead.

**RTE**

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