

ANNUAL REPORT



YEARS OF SERVICE

BROADCASTING AUTHORITY MALTA

2011

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BROADCASTING AUTHORITY



MALTA

L - AWTORITÀ TAX - XANDIR

The Hon. Dr Lawrence Gonzi LL.D., M.P
Prime Minister
Office of the Prime Minister
Auberge De Castille
Valletta

25th March 2012

Honourable Prime Minister,

Broadcasting Authority Annual Report 2011

In accordance with sub-article (1) of article 30 of the Broadcasting Act, Chapter 350 of the Laws of Malta, we have pleasure in forwarding the Broadcasting Authority's Annual Report for 2011.

Yours sincerely,

A blue ink signature of Anthony J. Tabone, written in a cursive style.

Anthony J. Tabone
Chairman

A blue ink signature of Pierre Cassar, written in a cursive style.

Pierre Cassar
Chief Executive

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MESSAGE FROM THE CHAIRMAN

As can be seen from the rest of this Annual Report, the year under review was quite an eventful one for the Broadcasting Authority. The celebration of the 50th Anniversary of the Authority, which is covered in quite some detail in this Annual Report, is an important milestone in the history of the Authority.

The celebration of this important anniversary gave us an opportunity to communicate with the general public about the work of the Authority. The speech delivered by His Excellency Dr George Abela, President of Malta during his visit to the Authority's offices on the day of the Anniversary, created a public debate which is still ongoing about the changes in the constitution which might be necessary to update the composition of the Authority after fifty years of existence.



Chairman
Mr Anthony J. Tabone

The personal interest of the President of Malta in the workings of the Authority was further evidenced when His Excellency accepted the Authority's invitation to address the Opening Session of the Mediterranean Network of Regulating Authorities which was hosted by the Broadcasting Authority in Malta last November. His contribution was very warmly received by the delegations from nineteen regulatory authorities from Mediterranean countries who attended this Conference.

The Referendum Campaign on the Introduction of Divorce in Malta, as usual with such events, increased the pressure on both the staff and the Board of the Authority. It is with a great sense of satisfaction that the Authority can look back on this Campaign and say that it executed its constitutional role with diligence and impartiality. Some difficult decisions had to be taken in a completely new scenario for referenda in Malta given that the protagonists in the referendum were not the political parties but the two movements for and against the issue.

In my Review last year, I had stated that the Authority was playing a pivotal role in the digital switch over which will see the country switching off its traditional analogue signals as television stations migrate to the digital world. It is also my pleasure today to be able to report that through the efforts of all parties involved, including the Broadcasting Authority, the switch over took place seamlessly with hardly any inconvenience caused to the viewing public in Malta. In this regard, Malta is now among those European States, which have made the switch over ahead of the deadline imposed by the European Union.

During its thirty-four meetings held during the year under review, the Board heard and decided on no less than forty eight administrative offences and fourteen complaints. The administrative offences covered three television stations, six nationwide radio stations and five community radio stations. The primary aim of the Authority is not to impose fines on broadcasting stations but to ensure that the obligations of these stations arising out of the Broadcasting Act and the Constitution are rigorously observed. The Authority's staff keeps close contact with the broadcasting stations and whenever possible opts to advise the stations

on remedial measures rather than take action. I am pleased to say, that there is a wide appreciation for this liaison but unfortunately there are occasions when the Chief Executive would have no option but to issue a charge, which will then be heard and decided upon by the Board of the Authority.

The Broadcasting Authority gives due importance to a healthy relationship with other Regulatory Authorities overseas and strives to keep alive its international contacts. This year, apart from participating actively in one of the annual sessions of the European Platform for Regulatory Bodies, which was held in Brussels, the Authority is occupying the chair of the Mediterranean Network of Regulatory Authorities. Besides hosting the 2011 Session in Malta, I shall have the privilege of chairing the 2012 Session which will be hosted by the Portuguese Regulatory Authority. We have also supported an initiative taken by the Cypriot Broadcasting Authority (CRTA) together with Portugal to set up a special committee which would bring together all the Broadcasting Authorities of the EU Member States to ensure that the views of the Authorities are taken into account before the Commission decides on any broadcasting matters.

In conclusion, I would like to express my personal appreciation for the hard work put in by all the staff of the Authority during the year, which helped in no small way towards the attainment of the Authority's objectives. I also wish to thank the Chief Executive Officer for his valuable advice and for his diligence in tackling a number of delicate issues which the Authority has to face on an on-going basis. I am also grateful for the support of the members and secretary of the Board throughout the year.

Anthony J. Tabone
Chairman

CHAIRMAN AND MEMBERS OF THE BROADCASTING AUTHORITY DURING 2011



**Chairman,
Mr Anthony J.
Tabone
Dip MRS, MCIM**



**Member
Mrs Rose Sciberras
B.A (Hons.), L.P.**



**Member
Dr Peter Fenech
LL.D., M.A.**



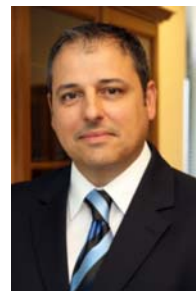
**Member
Mr Alfred Mallia
Milanes**



**Member
Dr Reno Borg
B.A. (Hons.), M.A., LL.D.**



**Chief Executive
Mr Pierre Cassar,
B.A. (Hons.),
M.Sc.(Leicester)**



**Secretary
Dr Simon Manicolo,
B.A., Dip. Not.
Pub., Adv. Trib.
Eccel. Melit., LL.D.**

THE CHIEF EXECUTIVE'S STATEMENT

The year in review was nothing short of exceptional. Apart from celebrating its 50th anniversary, the Authority operated in a highly controversial political climate during the run-up to the referendum on divorce, played an active role in contributing to a seamless digital switchover for free-to-air television stations and made a contribution to the international field in an even more significant way than usual by assuming the Vice-Presidency of the Mediterranean Network of Regulatory Authorities.

The Authority has come a long way since its foundation in 1961. Technology has evolved in leaps and bounds and pluralism has allowed various players and multiple platforms to provide different media services to consumers. A stroll through the three floors of the administrative building of the Authority at Hamrun will reveal a portrait picture of every Chairman appointed by Government to head the Authority since 1961. Fifty years later I cannot help but wonder what the early founders of this constitutional body would make of the present media landscape with its complex set-up and equally challenging legislative framework.

Despite its limited budget, the Authority managed to organise a modest, yet successful calendar of events to celebrate this important anniversary in a special way. Created in the late period of colonial rule, this organisation was enshrined in the Constitution and has witnessed key milestones in Malta's history. Despite the ongoing debate on its relevance in modern day society, I still believe that there is a clear consensus that a regulatory approach is now, perhaps, more vital than ever to protect consumers from the potentially harmful effects of broadcast media. Such a trend is still strong in the Western world and the EPRA forum which is held twice a year, bringing together all European broadcasting regulators, attests this.

Apart from the fiftieth anniversary celebrations and its contribution to international fora, the Authority remains first and foremost committed to monitoring local content to ensure that programming offered is in line with the provisions of the Broadcasting Act. Fortunately, over the past few years, more consumers are becoming aware of their right to file a complaint with the Authority. Although at present the number of complaints filed by viewers and listeners is minimal, the possibility exists that in the not too distant future, the Authority will experience an influx of complaints from members of the public as media literacy increases.

A memorable year would be a fitting description for the year in review. I would like to thank all members of staff who contributed to accomplish the corporate goals of the Authority. My sincere gratitude to the new Chairman Anthony J Tabone and to the members of the Board for their sterling work and support throughout the year. May I also take this opportunity to thank all those who in previous years served on the Board or worked for the Authority. Their contribution, big or small, was significant in shaping the Authority to becoming what it is today.

Pierre Cassar
Chief Executive



The Chairman, Mr Anthony J. Tabone and the Authority's Staff

1. REVIEW OF THE YEAR

by the Chief Executive

1.1 The Broadcasting Authority.

As from the beginning of 2011, a new Chairman headed the Board. Three of the Members were reappointed whilst Dr Peter Fenech was granted tenure for the first time. During the year in review, the Authority was composed of:

Chairman: Mr Anthony J Tabone Dip MRS, MCIM
Members: Dr Reno Borg B.A. (Hons.), M.A., LL.D.
Mr Alfred Mallia Milanes
Dr Peter Fenech LL.D., M.A.
Ms Rose Sciberras B.A (Hons.) L.P.



Chief Executive
Mr Pierre Cassar

The Authority held a total of 34 meetings during the year.

1.2 Human Resources

Staff complement remained stable during the year in review. The Authority currently has a work force of 32 employees, approximately half of whom are engaged within the Monitoring Department. Dr Marilyn Dimech was employed as a part-time Programme Monitor on an initial six-month fixed contract, which was eventually renewed for a further six months.

The Authority also renewed the contract of its Technical Consultant, Mr Joe Francalanza, who is entrusted with the management, maintenance and other technical requirements of the Gharghur Transmitting Tower.

During the year in review, two employees benefited from a career break. The Authority actively seeks to provide family-friendly measures to its staff and, to this effect, whilst one employee works on a schedule with flexible hours, another two benefit from reduced hours and another employee performs her duties through teleworking one day per week.

1.3 Staff Development

The Authority continues to support members of its staff at all levels to further their academic studies in specialised fields. These include the following:

Pierre Cassar	Chief Executive	Diploma (Laws of Procedure) (University of Malta)
Joanna Spiteri	Head Monitoring	Ph.D. in Film and Media Studies (University of Sterling, Scotland)
Mariella Caruana	Programme Monitor	Diploma (Laws of Procedure) (University of Malta)

Meanwhile, Programme Monitors Jean Pierre Caligari and Elaine Galea successfully completed their Masters degree at the University of Malta. Mr Caligari obtained an M.A. in Maltese whereas Ms Galea graduated with an M.A. in Sociology. Both employees commenced their studies at Masters level after starting employment with the Authority. Employees furthering their studies in particular fields benefit from a study policy approved by the Authority which grants them special paid leave to enable them to pursue their academic duties.

Furthermore, Marilyn Dimech graduated as Doctor of Laws in November. Dr Dimech was in the final months of her studies when she joined the Monitoring Department on a fixed term contract.

In addition, the Authority, following discussions with the Department of Maltese Studies at the University of Malta, once again agreed to sponsor a number of employees hailing from the media industry to attend this certificate course in proof-reading of the Maltese language. These were Dione Borg, Annette Vella and Colette Seychell from Medialink. Communications Co. Ltd. and Natalie Bonnici from Education 22. The Authority believes in assisting producers and journalists from the broadcasting industry to attend such courses in a bid to improve the level of Maltese in broadcasting.

1.4 Sponsorship – Malta Journalism Awards

The Authority once again sponsored three categories in the Malta Journalism Awards organised by the Institute of Journalists (IGM). The three categories were: Broadcast Journalism TV - Script Category (winner Charlot Gouder, ONE), Broadcast Journalism TV - Film category (winner Basement Productions, NET TV) and the Broadcast Journalism - Radio Category (winner Cynthia Zerafa, RTK).

1.5 Reaching Out to the Industry

The Reach Out programme which was initiated in 2009 proved to be very successful with broadcasting stations and production houses. The need had long been felt to bring the Authority closer to the industry and to organise workshops to facilitate interpretation of the various laws relating to broadcasting.

Owing to the divorce referendum which was held in June, only one Reach-Out Seminar was held during the period in review. This was organised in conjunction with *Agenzija Appoġġ* and dealt with the portrayal of vulnerable people in the media. The seminar was held on 31st August and was well attended by different stakeholders, including producers who regularly deal with such issues.

In addition to this seminar, the Chief Executive addressed an in-house seminar organised by the Gozitan community radio station Radju Lauretana which was held on 21st September 2011. The Chief Executive dealt with specific aspects of the Broadcasting Act which are relevant to community radio stations.

The Chief Executive was also the keynote speaker during the annual seminar organised by *Għaqda Ġurnalisiti Sportivi*. His address dealt with specific issues relating to sports programmes as highlighted in the Broadcasting Act.



*Portrayal of Vulnerable People in the Media
31st August 2011*

1.6 Participation in programmes on radio and television

During the year in review this was limited to the participation of the Head Monitoring in a discussion programme entitled *Kontra r-Rih* aired on Calypso Music Television on 31st January. The programme dealt with innuendoes and decency in satirical and comedy programmes.

1.7 The Monitoring Department

Apart from the normal routine monitoring of the main programmes on television and nationwide radio stations, the Monitoring Department was also charged with preparing a number of thematic reports, this apart from the increased volume in monitoring duties as a result of the divorce referendum (vide Chapter 6). A list of these reports is represented hereunder:

- The Monitoring Department analyses the TV Autumn/Winter schedule and Summer schedule and compiles a quantitative and qualitative report of these schedules. The reports include TVM, ONE and NET TV programme schedules.
- An analytical report highlighting the trends of the news bulletins during a specific period of time. The report presented trends on One News and NET News aired between October 2010 and April 2011. The report included an analysis of TVM news aired in June 2011. The aim of the report was

to analyse whether the news bulletins were in line with the Requirements of News and Current Affairs Programmes.

- A report on quiz and game shows aired during October 2010 and June 2011. This report analysed four specific programmes under the programme genre of 'game show'. Such a report highlighted positive and negative aspects of such programme genre on the local channels. Being a descriptive report, it gave an overview of the content and technical aspects used for such programming. The report concluded with some suggestions which might enhance such local programming.
- The report entitled *"Il-Midja Lokali u Persuni Potenzjalment Vulnerabbli"* gives an overview of the manner vulnerable people are treated and portrayed by the local media in different programme genres. The report also compared how vulnerable people are portrayed in local media as opposed to a number of foreign programmes, mainly those broadcast on the Italian and the UK channels. This report analysed programmes and also annual telethons which are organised in Malta to collect money for those in need. It pointed out incidents wherein such programming was not in line with the Requirements as to Standards and Practice Applicable to Participation in Media Programmes of Vulnerable Persons and the Requirements Applicable to Disability and its Portrayal in the Broadcasting Media.
- Report analyzing current affairs programmes aired on TVM during the period January – March 2011. The report gives an overview on the type of subjects tackled in these programmes, persons interviewed during these programmes and how such programmes were presented. It presented some conclusions in view of the legal requirements applicable to News Bulletins and Current Affairs Programmes as well as to other Requirements regarding crawls, competitions and the award of prizes even in such a programme genre.
- A descriptive report about teleshopping programmes and teleshopping slots aired on five TV stations (TVM, NET TV, ONE, Smash TV and Favourite Channel) and on the teleshopping channel (iTV). The report gave an overview of the way teleshopping slots are presented and commented about the quality of such productions. It also referred to irregularities of such programme genre in view of the Third Schedule of the Broadcasting Act.
- A trend report analysing two months transmission (January & February 2011) of TVM breakfast show programme '*Bongu*'. The report gave an overview of the content of this programme with particular reference to the opinion slots discussing current issues.
- After the introduction of the Audiovisual Media Services Directive, the Monitoring Department compiled a report to study the impact of the AVMS Directive on local productions with specific reference to the introduction of product placement. The report analysed the introduction of product placement and prop placement in local programming and whether there was any effect on the

scheduling of spot advertising within the programmes. The analysis was made on two different programme genres – drama and light entertainment programmes.

1.8 Security Services at the Gharghur Transmitting Facility

The Authority provides for security services at the Gharghur Transmitting Facility on a daily basis, including weekends and public holidays. This enables all users to gain access to the facility for any inspection or maintenance that needs to be undertaken on site. Outside daylight hours, admission to the site is only possible for urgent matters.

Over the past few years the Authority issued a yearly tender for the provision of such security services. In a bid to streamline operations, the Authority successfully sought approval for the publication of a tender document requesting such services for a three- year period.

The new service provider, who assumed responsibility as from 1st August 2011, is Kavallier Security, a company which in the past had already provided such services to the Authority.

2. ADMINISTRATIVE OFFENCES

During the year in review, the Chief Executive issued a total of 48 charges against broadcasting stations, an increase of 14% over the previous year. Charges are issued by the Chief Executive and then heard before the Authority when both the Chief Executive and the station concerned make their submissions.

The total number of charges excludes all other communication issued to the various broadcasting stations to address any shortcomings registered by the Monitoring Department. The table hereunder represents the total number of charges processed by the Authority during the year:

	Station	Charges
<i>Television</i>	TVM	16
	NET	7
	One	10
<i>Nationwide Radios</i>	XFM	2
	Bay	2
	Radju Malta	1
	Radju Marija	1
	One Radio	2
	Campus FM	1
<i>Community Radios</i>	Energy FM	1
	Deejays Radio	2
	Hompesch	1
	Lehen il-Belt Gorgjana	1
	Power FM	1
	Total	48

On these 48 charges, the Authority made the following decisions:

19 warnings;

11 cases where the charge against the respective station was not proved;

5 instances when a fine suspended for a specific period of time was imposed on the station;

13 cases where a fine was imposed as per the provisions of the Fifth Schedule. In most cases the fine amounted to €1,160. The following is a breakdown of the fines imposed on the respective stations:

TVM was fined 5 times.

ONE was fined on 4 occasions.

NET TV was fined on 3 cases.

Another administrative fine was imposed on Radju Malta.

3. BROADCASTING LICENCES

Article 10 (2) of the Broadcasting Act stipulates that:

“No person may provide sound or television broadcasting services in Malta for Malta or any part thereof without the licence in writing of the Authority, nor may any person retransmit sound or television broadcasting services from Malta to any foreign state without the licence in writing of the Authority.”

Apart from TVM and Education 22, both of which are licensed by the Government, the Authority licenses different genres of stations which at present include the following:

- (i) free-to-air television stations;
- (ii) commercial television stations;
- (iii) satellite television stations;
- (iv) nationwide analogue radio stations;
- (v) nationwide digital radio stations (on the DAB+ network);
- (vi) analogue community radio stations.

3.1 Digital Switch Over – GIO Television Licences

The Digital Switch Over Steering Committee successfully concluded the digital switch over in August. The Broadcasting Authority was charged with licensing PBS to operate the multiplex (free-to-air network) and also to select and license the television stations that qualified as free-to-air general interest channels.

The process was three-pronged with the Authority issuing a network licence to PBS Ltd and then licensing ONE, NET TV and Smash TV as general interest objective television stations for a five-year period. Initially the three stations enjoyed a period of simulcasting with both analogue and digital output until the analogue signal was switched off for good on 31st October 2011. TVM and E22 were the first stations to migrate to the digital platform as they were considered to be *de facto* general interest objective stations by virtue of their public remit. Interestingly, E22 also assumed a free-to-air status for the first time in its history given that the station was previously limited to GO and Melita subscribers and was not available on a free-to-air system.

The Authority also issued a call for applications to assign the last vacant slot on the network to a general interest objective station. Favourite Channel and Calypso Music Television submitted their applications and after a thorough analysis of the content being offered by both stations, the Authority decided to award general interest objective status to Favourite Channel for a five-year period. By virtue of this licence, Favourite Channel assumed a free-to-air status and did not remain exclusive domain to Melita subscribers. Calypso Music Television was awarded a five-year commercial licence for exclusive carriage on the GO network.

3.2. Radio Broadcasting Licences

3.2.1 Community Radio Stations

During the year under review, the following licences were issued by the Authority:

Station	Transmitting from	Lic No.	Duration	Valid from	Freq MHz	Effective Radiated Power Watts
2011 Zone Talk + Special Assembly of Jehovah's Witnesses	In-House Radisson Ghajn Tuffieha and Dolmen Resort Hotel, St Paul's Bay	468	1 day each	8/5/2011 & 29/5/2011	108	0.5
2011 District Convention of Jehovah's Witnesses		485	3 days	9/9/2011	108	0.5
Trinitarji FM 89.3	Marsa	454	1 month	20/4/2011	89.3	8.8
		463	1 month	20/5/2011	89.3	8.8
Radju Lauretana	Għajnsielem	461	1 month	9/4/2011	96.5	4.3
		470	17 days	21/5/2011	96.5	4.3
		479	30 days	1/8/2011	89.3	4.3
		490	1 month	8/12/2011	89.3	4.3
Radju Elenjani 95.8FM	Birkirkara	462	1 month	8/4/2011	95.8	10.6
		475	1 month	22/7/2011	95.8	10.6
		489	1 month	8/12/2011	95.8	10.6
Lehen il-Karmelitani	Zurrieq	473	1 month	25/6/2011	101	8.5
		493	1 month	3/12/2011	101	8.5
Radju Marija Assunta	Għaxaq	477	1 month	16/7/2011	98.9	9.1
		495	27 days	12/12/2011	98.9	9.1
Radju 15 ta' Awwissu	Qrendi	478	25 days	23/7/2011	98.3	3.5
		491	1 month	10/12/2011	98.3	3.5
Radju Kazin Banda San Filep	Zebbug, Malta	464	1 month	12/5/2011	106	7.6
Radju La Valette	Valletta	465	14 days	11/4/2011	95.2	6.3
Radju Hal Tarxien	Tarxien	466	15 days	15/5/2011	107	3.6
Radio 12 th May	Zebbug, Malta	467	1 month	13/5/2011	96.5	7.9
Radio Sacro Cuor Sliema	Sliema	469	1 month	5/6/2011	94	8.5
Radju Banda Fgura FM	Fgura	471	29 days	12/6/2011	93.1	5.9
Radju Sant'Andrija	Luqa	472	19 days	15/6/2011	88.4	9.4
Radju Margerita	Sannat, Gozo	474	29 days	28/6/2011	96.1	6.9
Radio Leonardo 105.2FM	Kirkop	481	16 days	8/8/2011	105	4.9
MMG FM	Zabbar	483	1 month	12/8/2011	97.5	6.6
Radju Maria Bambina 90.2FM	Mellieha	484	1 month	20/8/2011	90.2	9.1
Trinitarji FM	Marsa	486	1 month	9/12/2011	89.3	8.8
Radju Sant'Andrija	Luqa	487	18 days	16/11/2011	88.4	9.4
Tal-Gilju FM	Mqabba	494	10 days	4/12/2011	95.4	3.2
Lehen il-Belt Gorgjana	Qormi	455	2 years	1/3/2011	106	6.7
Radju Lehen il-Qala	Qala, Gozo	456	2 years	17/2/2011	106	11.1
Radju Xeb-er-ras	Valletta	457	2 years	25/7/2011	90.8	6.5
Radju Sokkors	Kercem, Gozo	458	2 years	1/3/2011	95.1	2.8
Radju Prekursur	Xewkija, Gozo	459	2 years	19/2/2011	99.3	4.6
Radju Lehen il-Gużepini	Għaxaq	460	2 years	9/2/2011	89.1	9.8
Radju Santa Katarina	Zurrieq	476	2 years	29/6/2011	90.6	9.9
Energy FM	Fgura	480	2 years	24/3/2011	96.4	6
BKR Radio 94.5FM	Birkirkara	482	2 years	1/8/2011	94.5	7.4
Bastjanizi FM	Qormi	488	2 years	23/11/2011	95	8.8
Radio City	Valletta	492	2 years	2/12/2011	108	11.6
La Salle FM	Vittoriosa	496	2 years	1/12/2011	99.4	6.5
Radju	Valletta	497	2 years	25/7/2011	90.8	6.5
Lehen il-Qala	Qala, Gozo	498	2 years	17/2/2011	106	11.1

Kottoner 98FM	Cospicua	499	2 years	29/7/2010	98	9.9
Deejays Radio 95.6FM	San Gwann	500	2 years	23/11/2010	95.6	5.5
Christian Light Radio	Naxxar	501	2 years	6/10/2010	105	4.6
Leñen il-Belt Victoria	Victoria, Gozo	502	2 years	25/6/2010	104	4.3
Radio Sacro Cuor	Fontana, Gozo	503	2 years	15/11/2010	105	7.2
Radju Bambina	Xaghra, Gozo	504	2 years	13/12/2010	98.3	7.6
Radju Luminaria	Nadur, Gozo	505	2 years	14/12/2010	107	4.2
Radju Katidral	Victoria, Gozo	506	2 years	1/12/2010	90.9	2.8
Radju Prekursur	Xewkija, Gozo	507	2 years	19/2/2011	99.3	4.6
Radju Sokkors	Kercem, Gozo	508	2 years	1/3/2011	95.1	2.8
BKR Radio 94.5FM	Birkirkara	509	2 years	1/8/2011	94.5	7.4
Radio Galaxy	Hamrun	510	2 years	14/6/2010	105	9.1
Radju Hompesch	Zabbar	511	2 years	20/3/2010	90	7.4
Energy FM	Fgura	512	2 years	24/3/2011	96.4	6
Power FM	Paola	513	2 years	1/1/2011	90.4	5
Big FM	Birkirkara	514	2 years	1/1/2011	107	8.9
Radju Leñen il-Ġużeppini	Għaxaq	515	2 years	9/2/2011	89.1	9.8
Leñen il-Belt Ġorġjana	Qormi	516	2 years	1/3/2011	106	6.7
Pure Gold Christian Radio	Qormi	517	2 years	1/5/2010	97.8	9.6
Radju Viżitazzjoni	Għarb, Gozo	518	2 years	12/12/2010	92.4	2.8
Radju Santa Katarina	Zurrieq	519	2 years	29/6/2011	90.6	9.9

Community radio stations have remained popular and a number of temporary stations were awarded a licence to broadcast within their community for periods not exceeding one month. Such stations' broadcasts are usually in connection with the village feast or a seasonal activity such as Christmas or Easter.

One new licence for a community radio station to operate in Valletta was granted to Radio City (107.6MHz) in December. An expression of interest was also received for the setting up of a community radio station in Birzebbugia. The Authority gave the green light to this radio station as no community radio stations are currently operating in the region.

Two community radio stations, *Radju Kottoner* and *BKR Radio*, commenced broadcasts on the DAB+ network in 2011 which effectively means that they have assumed a quasi-nationwide reach, even though the terms and conditions of the licence issued to them as community radio stations remain in force, in particular those limitations pertaining to advertising and sponsorship. Even *Radju Lauretana*, a temporary community radio station operating from Għajnsielem, benefitted from this provision in the law during its temporary broadcasts held in December.

Following the amendment to the Legal Notice 350.29 (Digital Radio Broadcasting Regulations), community radio stations are allowed the possibility of simulcasting their programmes on digital radio for a maximum of two years, following which they have to decide whether to migrate to the digital platform and assume national status or forfeit such a right to retain their community approach.

3.2.2 Nationwide Analogue Radio (FM/AM)

The number of nationwide stations on the FM dial has remained constant at 13 and this is the maximum limit of stations that the current combiner houses at Għargħur.

3.2.3 Digital Radio Platform

The new digital platform is slowly gaining ground in the Maltese islands. Established in 2008, Digi B+ operates the only digital radio platform in Malta and has rolled out a number of foreign stations together with most of the local analogue FM stations. According to research conducted by the Authority, nearly 10% of the population claims to now have access to this new medium.

In 2011, one new station was licensed by the Authority to operate exclusively on the DAB+ network. Known as *All R&B*, this is a 24/7 music station licensed to the operators of the network. The station obtained a four-year licence commencing on 25th July.

3.3 Nationwide Television Stations

3.3.1 New Licences

The number of local television stations increased by yet another new channel as the Authority approved and licensed a teleshopping channel known as *Prime TV Shopping Channel*. The station is available exclusively on the Melita network and commenced broadcasts on 1st August. As has been customary over the past few years, such a station was initially awarded a probationary one-year licence during which the Authority could monitor its programme performance. *Prime TV Shopping Channel* brings the total number of local television channels (excluding own-broadcast channels owned by GO and Melita) to nine.

Following the licensing of various thematic stations to a Belgian based company, *Icon-Europe*, the Authority renewed and approved a number of licences to this company, which primarily targets Turkish-speaking communities in Central Asia and Central and Eastern Europe. The company is duly registered in Malta with the Malta Financial Services Authority as *Aureusfin Limited*.

The Authority issued five new satellite licences to the company during the year in review. These were issued to *SRT TV, Dilje, Denge, Medya and Ekin*. At the same time, the company also submitted a request to rename (for branding purposes) most of the existing stations already licensed by the Broadcasting Act. The total number of channels currently licensed to *Aureusfin Limited* amounts to 17. A list of the stations licensed to this company is found in the table hereunder.

		Valid From
STL 18	Dijle TV	12 Sep 2011
STL 19	Denge TV	12 Sep 2011
STL 20	Medya TV	12 Sep 2011
STL 21	Ekin TV	12 Sep 2011
STL 22	Ask TV	1 Oct 2011
STL 23	SRT TV	7 Dec 2011
STL 24	Max TV	30 Dec 2011
STL 25	Kastamonu TV	30 Dec 2011
STL 26	Aba TV	30 Dec 2011
STL 27	Yurdum TV	30 Dec 2011
STL 28	Berat TV	30 Dec 2011
STL 29	A9	30 Dec 2011
STL 30	Kanal 34	30 Dec 2011
STL 31	Anadolu Yurdum	30 Dec 2011
STL 32	MMC	30 Dec 2011
STL 33	Sebil	30 Dec 2011
STL 34	Kanal 99	30 Dec 2011

3.3.2 New Applications

The Authority did not have any pending applications to process at the end of the year although it dealt with several preliminary queries from foreign-based companies interested in applying for a satellite television service under the Broadcasting Act. At the end of the year however, no such formal applications were received by the Authority.

4. PROGRAMME COMPLAINTS

During the year under review the Authority received and decided a total of fourteen complaints from various quarters including political parties, private individuals and other entities:

4.1 PN vs TVM – *Bondiplus* of 15th November 2010

In its complaint the PN argued that the participation of Dr Charles Mangion as the only guest in a programme discussing the reaction of the Leader of the Opposition to the Budget measures was tantamount to impartiality against the said Party. The Party contended that the matter discussed was current public policy, and as such the station was obliged by law to present a balanced debate. Whilst underlining consistency, in its submissions the PN referred to an earlier decision by the Authority where it found in favour of the PL when, during an earlier edition of the same programme of the 8th March 2010, Dr Tonio Borg was the only guest. It added that the law specifically provided that balance and impartiality on PBS had to be achieved on each individual programme.

In its counter reaction the station contended that balance and impartiality were not to be interpreted exclusively in a rigid, numeric and objective manner. If this were to be the case, the station would be rendered simply a notice board, and the analytical and investigative elements would be depleted.

The producer pointed out that the programme under discussion was in actual fact a continuation of a previous edition and the participation of Dr Charles Mangion was unannounced and unconfirmed till the last minute.

In its decision the Authority held that the fact that it had found against the station in a previous case was not to be interpreted as binding in the case under discussion since the circumstances of the two cases differed. The Authority argued that it was clear that this edition of the programme was a continuation of the one broadcast on 1st November 2010 and that the participation of Dr Mangion was not confirmed to the producers by the PL till the very last minute. The Authority also pointed out that balance could not be analysed exclusively in numeric and objective terms, and one had to take into account the manner in which the argument was discussed and the content of the programme. The Authority held that during the said edition of *Bondiplus* the producers featured an interview with the Minister for Finance Tonio Fenech and therefore the participation of Dr Mangion was important in providing the required balance.

In view of these considerations, the complaint was deemed unjustified and was not upheld.

4.2 Għaqda Każin tal-Banda San Filep vs PBS

In this complaint the Band Club contended that the station failed to broadcast a right of reply in relation to information included in a news item aired during TVM News of the 24th of November 2010. In this feature it was stated that the first Band Club to be set up in the Maltese Islands was that of De Rohan in Zebbug,

which information was deemed by the complainant as incorrect and merited a rectification through a right of reply as provided for by law. The complainant argued that the station had refused to broadcast said reply as it was duty bound to do under the relative regulations and therefore requested the intervention of the Authority.

On the other hand, the station argued that the information broadcast was retrieved from research published by author Francis Galea and it felt that there was no justification in questioning such material.

The Authority held that it was not in its competence to go into the merits of the case and the veracity or otherwise of the information broadcast, and therefore it was to limit its decision as to whether the right of reply was justified. The Authority argued that in view of the fact that the information featured during the news item was retrieved by the station from published research and that the station was unaware of any contestation, the station's refusal to broadcast the right of reply was not in breach of the relative regulations.

Nevertheless, the Authority felt it had to recommend that in future the station would treat such issues with greater sensitivity.

4.3 Godfrey Grima vs Net TV, Right of Reply – *NET News*

In his complaint Mr Godfrey Grima submitted that NET TV had broadcast the requested right of reply but added to it its own comments and views. The complainant argued that the comments had in fact mitigated the effectiveness of the said reply and at the same time violated the dispositions of the relative Subsidiary Legislation regulating news and current affairs programmes. In view of this, it requested the Authority to intervene and award an effective remedy.

The station admitted that the first time the right of reply was broadcast the station had included editorial comments within the actual text. Subsequently, and after its attention had been drawn to this matter, the station broadcast the full version of the right of reply as submitted by the complainant, followed by its comments and interpretation.

The Authority noted the submissions of the parties and opined that the manner in which the right of reply was broadcast in the second instance was in conformity with the dispositions under the Subsidiary Legislation regulating News and Current Affairs and therefore the complaint was not justified. Nevertheless, the Authority felt it had to draw the attention of the station to the length of the comments broadcast after the right of reply, which were deemed excessive.

4.4 Francis Said vs PBS – *News of 27th December 2010*

Mr Francis Said complained of the fact that his involvement and contribution in the setting up of fund-raising campaigns, namely L-ISTRINA on TVM, was completely omitted and ignored in a news item

featuring the matter in TVM's bulletin of the 27th December 2010. Mr Said requested the intervention of the Authority so that the correct version of the facts would be made public.

The Authority took note of the submissions of both parties and decided that the complaint was not sufficiently proven and could not be upheld.

4.5 PL vs PBS – *Bondiplus* of 20th December 2010

In its complaint the Labour Party argued that the station was in breach of the principles of balance and impartiality when during the edition of *Bondiplus* dated the 20th December 2010 dealing with the increase in the honoraria of the Prime Minister, Ministers and Parliamentary Secretaries, the station broadcast information and interviews which were deemed by the Party as incorrect and untruthful.

The Party held that features broadcast during the programme shed doubts on whether Members of Parliament from the Opposition were going to accept said increases, even though the Members of Parliament included in the feature categorically denied said claims and clearly pronounced their views which were never aired during the programme in question. The Party argued that the manner in which the programme was conducted was in breach of the relative regulations and it was the responsibility of the station to present the counter arguments during said edition and not through the intervention of the Authority.

The producers pointed out that every Member of Parliament had been personally asked about his position on the matter but no reply had been received, and therefore the station had no other option but to move ahead with the interview with the Honorable David Agius who confirmed that the Honorable Owen Bonnici and Gino Cauchi had confided in him their intentions to accept said increase.

The station referred to the judgment by the Court of Appeal in the case Dr Eddie Fenech Adami vs Dr Joseph Pirotta where it had spelt out the proper interpretation of balance and impartiality.

Following a request by the parties, the three Members of Parliament involved in the matter were summoned as witnesses before the Authority.

The Authority held that the complaint was primarily related to three issues, namely:

- a) the tabulation featured during the programme highlighting the Members of Parliament who had actually replied to the questions put forward by the producers, and their replies;
- b) the interview with the Honorable David Agius in which he had named and identified nine Opposition Members of Parliament who, he claimed, had discussed with him the said increase, in which case the station failed to obtain and present the reaction of the MPs referred to;

- c) the interview with Damien Cassar who claimed that he had heard the Honorable Owen Bonnici refer to the increase, in which case the station failed to obtain and present the reaction of Dr Bonnici.

In its decision the Authority held that the information contained in the relative tabulation was adequately presented. On the other hand, with regards to the declaration and the comments of the Honorable David Agius the Authority held that these should have been balanced out with the reactions of the interested parties. It pointed out that in actual fact during the news bulletin the station had rightly interviewed the Members of Parliament and requested their comments on what had been referred to them by the Honorable David Agius. The Authority noted that the interview with Honorable Agius was recorded and therefore the producers could have attempted to get the reactions of the interested parties in order to provide the public with a balanced and comprehensive report according to ethical journalistic practice. The Authority held that the argument put forward by the station pointing out the fact that the Members of Parliament failed to reply to the relative e-mail did not justify the station's actions. In relation to the third part of the complaint the Authority pointed out that the Honorable Dr Owen Bonnici had requested and afforded a right of reply in a subsequent edition of the programme and therefore this issue had been resolved.

In its decision the Authority further directed the station to read out its decision as submitted in terms of Article 15 of the Broadcasting Act.

4.6 PL vs PBS – *Bondiplus* of 28th February 2011 and 7th March 2011

In this case the PL complained that the editions of *Bondiplus* of the 28th February and the 7th March, 2011 which dealt with the conflict in Libya, lacked the required balance. The Party held that the exclusive participation of the Prime Minister (28th February) and the Deputy Prime Minister (7th March) in these programmes constituted a breach of the principles of balance and impartiality under the Broadcasting Act, given that the issues discussed were of significant current public policy on which both the Government and the Opposition were in agreement.

The complainant argued that the station was duty bound to present to the viewers the views and position of the Opposition on such a sensitive and delicate matter. The Party contended that the fact that Dr Alex Sciberras Trigona had declined an invitation to participate in the programme did not justify the decision of the station not to seek other participants. In addition, it stated that Dr Sciberras Trigona could not be considered as a counter spokesperson to the Deputy Prime Minister, and that in the past and when requested, the Party had always offered its assistance and provided the station with participants. The Party concluded that the issues dealt with during the said programmes were not controversial, but of a current public policy nature, and therefore the station was bound to seek and obtain the views of the Opposition, which had even been communicated in two press releases.

On the other hand, the producers pointed out that the questions put forward to the Prime Minister during the programme of the 28th February were such that only he could answer, since they were directly related to the position of the Government. The producers argued that at that point the views of the Opposition were still not clearly known and that Dr Sceberras Trigona was invited in view of the position he occupies within the Party. The producers submitted that it was up to Dr Sceberras Trigona to seek a participant in his stead upon realising he could not attend.

The station held that both programmes were of an informative nature and not political or controversial and the issues continued to be discussed in subsequent programmes with the participation of the PL.

The Authority concluded that in the first edition of the 28th February, 2011 the fact that the Prime Minister was interviewed in a one-to-one styled programme was consonant with prior rulings whereby it had held that such format did not necessarily result in impartiality, and therefore it held that the complaint referring to this programme was not justified.

On the other hand, referring to the programme of the 7th March, 2011, which included the participation of the Minister for Foreign Affairs, and the Minister for Justice and Home Affairs, the Authority held that the fact that the station felt the need to invite a PL spokesperson implied that once such participation was not forthcoming it should have sought an alternative, possibly the spokesperson for Foreign Affairs or Home Affairs. The fact that the station failed to proceed in this manner and the fact that the views of the Opposition were not presented during the said programme created an imbalance against the PL and therefore the Authority decided that the complaint was, in this respect, justified, but given the significant lapse of time, it could not award a remedy.

4.7 Moviment Żwieġ Bla Divorzju vs One Productions - *Affari Tagħna* of 20th May 2011

In its complaint the Moviment Żwieġ Bla Divorzju held that the edition of *Affari Tagħna* broadcast on the 20th May 2011 was completely partial in favour of the Moviment Favur id-Divorzju. The complainant contended that the Authority was bound under the Constitution to preserve balance and impartiality on matters of political or industrial controversy or current public policy. Moviment Żwieġ Bla Divorzju held that none of the guests took a balanced approach and an offer to participate in the programme was turned down. The complainant pointed out that this complaint referred to three main issues, namely:

- a) that the subject of the programme, 'Il-Ko-abitazzjoni' was currently a controversial issue and it was impossible to discuss it without talking about divorce;
- b) that the content of the programme resulted partial against the complainant;
- c) that the views of the Movement were not represented during the said programme.

The station argued that the subject of the programme was cohabitation and not divorce, that none of the guests were representing any particular group and that no one referred to voting trends or suggested voting patterns.

The Authority held that the programme under discussion was in breach of the principles of impartiality under the Broadcasting Act and also in breach of its directive for the Referendum. In addition, the Authority noted that during the programme reference had been made to persons who were not present in the studio and therefore had no opportunity to rebut. In view of these considerations, the Authority decided that the complaint by the Moviment Żwieġ Bla Divorzju was justified and that the programme was not balanced. The Authority ordered the station to broadcast a declaration by the same Movement in reply to the issues raised during the programme. This declaration had to conform to the relative regulations and directions, and prior to its broadcast, it had to be delivered to the Authority for vetting.

4.8 Federazzjoni Kaċċaturi Nassaba Konservazzjonisti vs TVM – *Bondiplus* of 6th June 2011

In this complaint the Federation complained of the manner in which hunting was featured during the edition of *Bondiplus* of the 6th June 2011 which discussed hunting. The Federation argued that during the said edition dealing with animal cruelty, reference to hunting was taken out of context, associating hunting with animal cruelty. The Federation contended that, under Maltese Law and specifically in the definition of what constitutes animal cruelty, the said laws exclude hunting and refrain from including it under the contested heading. The Federation stated that it thus follows that the featuring of wounded birds and comments of a member of Birdlife were out of place and incorrect, even more so when the Federation was not represented.

On the other hand, the station rebutted by claiming that hunting and trapping were not discussed during the programme and that the aim of the programme was to demonstrate and inform the public on animal welfare, and the veterinary services and facilities in place, including the work and services offered by Birdlife Malta in treating and curing wounded birds. In this context, the station considered that it was unnecessary to have the Federation represented.

The Authority held that when the content of the programme was analysed, the association by an ordinary viewer between hunting and animal cruelty was unavoidable. The Authority argued that the fact that the programme dealt specifically with animal cruelty and included a feature on wounded birds through hunting was unjustified even though any association was unintentional on the part of the station. In view of this, the Authority found in favour of the Federation and upheld the complaint, but in the circumstances of the case no remedy was awarded.

4.9 PL vs PBS Ltd – *TVM News* of 19th August 2011

In this complaint the Labour Party made reference to two news items broadcast on the 19th and 20th of August 2011 regarding the introduction of the concept of remission within our prison system and a request for a right of reply. The Party claimed that in its report on the matter of the 19th August, PBS Ltd. had taken out of context a comment made in Parliament by the Honourable Dr Anglu Farrugia incorrectly implying a divergence of views on this issue between said Dr Farrugia and the Leader of the Opposition when in fact this did not exist. The Party held that the requested right of reply was in fact broadcast on the 20th August 2011, but on this occasion, the station had also re-broadcast the original comments of Dr

Farrugia in a manner that the content of the right of reply was actually mitigated, causing imbalance against said party.

The station held that when considering this complaint the Authority had to take into account the controversy surrounding the issue in that there was manifest disagreement between the Government and the Opposition as to the way this new system should operate. The station said that the report was an investigative and researched one intended to provide the viewers with a comprehensive and factual report. In line with this approach, the station had put forward a number of direct questions to the Opposition which had not been answered and besides it had invited the Leader of the Opposition to participate in a programme on the same issue, said invitation being rejected.

The station pointed out that during the actual reading of the said right of reply the operator had inadvertently broadcast the footage featuring the comments made by Dr Anglu Farrugia. The station argued that notwithstanding this incident, the report was not rendered incorrect and that the right of reply had been given according to the relative regulations.

In its decision, the Authority held that PBS Ltd had in fact broadcast the right of reply in its entirety, but at the same time the station was in breach of the regulations contained in paragraph 8.15.1(ii) of the Subsidiary Legislation 350.14 when it broadcast the visuals and the comments of Dr Anglu Farrugia during the actual reading of the said right of reply. In addition, the Authority pointed out that any editorial comments broadcast after the right of reply need to be concise and should not adversely affect the content of the said reply.

4.10 PL vs PBS – News of 28th September 2011

In this complaint the PL argued that the coverage of a Press Conference by Labour Party spokesperson on broadcasting, the Honourable Gino Cauchi, during TVM News of the 28th September 2011 was unfair and unjust. The Party pointed out that in this case the station chose to broadcast its own reaction to the content of the Press Conference just before it actually reported the actual conference. In addition, during the coverage it was stated that the Honourable Gino Cauchi had claimed that the station had been found in breach of broadcasting regulations on balance when in fact this was not true.

The station contended that, under the dispositions of Legal Notice 350.14, a station was allowed to broadcast its own comments on a particular report provided said comments were markedly distinct from the actual report, and this was applied to the case under discussion. The station stated that the coverage of the Press Conference was an extensive and comprehensive one and the inclusion of comments was legitimate.

The Authority took note of the submissions before it and decided that the presentation of the comments just before the actual broadcast of report on the Press Conference by the Honourable Gino Cauchi constituted an unfair and unjust treatment and it decided to uphold the complaint.

4.11 Dr Natalino Fenech vs ONE Productions, Right of Reply – One News of 15th and 16th September 2011

Dr Natalino Fenech, through his legal representatives, complained of the fact that One Productions failed to afford him a right of reply concerning two coverages during One News of the 15th and 16th September, 2011 resulting from a decision by the Broadcasting Authority. The complainant pointed out that the right of reply was never broadcast, and the Authority was being asked to decide whether the complaint was justified and to provide an effective remedy.

The station argued that the content of the right of reply requested by the station had already been reproduced and was reflected in the coverage of a press release issued by the Broadcasting Authority on the same matter, and therefore the station felt that in reporting said press release the request put forward by the station had been exhausted.

The complainant contended that the reporting of the Authority's press release by the station did not constitute a right of reply, and could not be considered as such. Furthermore, the said release did not cover the issues raised and contested by the same complainant.

After consulting the relative dispositions regulating the notion of right of reply under subsidiary Legislation 350.14, the Authority decided that it could not accept the reason put forward by the station justifying its decision not to broadcast Dr Fenech's right of reply. The Authority held that a station was bound to broadcast a right of reply when requested according to the apposite rules and regulations, and therefore the complaint by Dr Natalino Fenech was justified. The Authority opined that, given the fact that this case had taken a number of weeks to be concluded, which situation was the result of circumstances beyond its control, it was not going to award a remedy.

4.12 Philip Vella vs NET TV – NET News of 15th and 17th October 2011

This complaint referred to a report on NET News of the 15th October 2011 in which it was alleged that Local Council employees had been working in a private residence with the knowledge of the Mayor. Mr Philip Vella, Mayor of the locality of Sannat in Gozo, had requested a right of reply in order to rebut said allegations and later complained of the fact that during NET News of the 17th October 2011 the right of reply was not read out in its entirety as provided for in the relative regulations, but that the station decided to include its own interpretation. The complainant argued that in this manner the remedy was mitigated and the right of reply was ineffective.

The station contended that it felt that, given further developments related to the story, the inclusion of comments was legitimate, and it was under the impression that under the relative provisions said comments could be introduced in the middle as part of the right of reply so long as the reply was read out in its entirety.

The Authority, after having heard and taken into consideration all the submissions, decided that the manner in which the right of reply was broadcast was in breach of the relative regulations, which provided that editorial comments could only be inserted after a right of reply was read out in full. The Authority decided that the complaint was justified and upheld it. Nevertheless, it felt that, in the circumstances, no remedy was to be awarded.

4.13 PL vs PBS – TVM – News of 3rd October 2011

In this complaint the PL referred to the news report featuring the resumption/opening session of Parliament after the summer recess. The Party contended that whereas the said report included comments by the Prime Minister and the Speaker, no such coverage was afforded to the Leader of the Opposition. The Party underlined the importance of the Opposition in our democratic political system and that such an omission constituted an imbalance against the PL.

On the other hand, the station argued that this report was produced through a direct link, and whilst being interviewed, the Speaker informed the journalist that the Prime Minister was about to make a declaration. The station highlighted the fact that this declaration was a new development to the live coverage, and the station felt that, in all probability, the Leader of the Opposition would not be able to provide a reaction on the spot. The station pointed out that the comments on the said declaration by the Leader of the Opposition were reported the week after.

The Authority took note of the submissions of the parties and decided that the complaint was unjustified and could not be upheld.

4.14 PL vs TVM – News of 12th and 13th November 2011

In the first part of its complaint the Labour Party argued that a Press Conference by its spokespersons Karmenu Vella and Dr Charles Mangion during the TVM news bulletin of the 12th November 2011 was not reported in an adequate manner and in its presentation the station failed to include a comment by the said officials. The Party held that the Press Conference was an important one through which the Party had communicated its considerations and expectations about the Budget, and within this context the report was unfair and lacked due accuracy.

In the second part, the Party referred to the news bulletin of the day after i.e 13th November, in which case the station deemed it appropriate to invite the Minister of Finance, the Honorable Tonio Fenech, to the studio. In this case, besides having the Minister interviewed during the news broadcast, journalists in Spain and Greece were introduced through live links to elaborate on what the PL defined as the ‘underlying theme’ propounded by the Nationalist Party in the run-up to the Budget – the economic and financial situation in Spain and Greece.

The PL argued that these cases were clear examples of agenda setting, where the newroom of the national broadcaster was serving the interests of the Nationalist Party, which was in violation of the spirit

of public broadcasting and was in breach of the regulations on balance and impartiality pertaining to news under the relative subsidiary legislation.

The station contended that the complaint was frivolous because the Party failed to highlight the points omitted in the coverage when asked to do so by the station, and in this manner, no right of reply or remedy could be awarded. The station further submitted that the report was not in breach of accuracy and it reflected parts of the actual press release issued by the Party. The station argued that in a news bulletin of 20 minutes it was news value that dictated the running order and the station had the right to apply its own discretion in the determination of such.

In this case, following a request by the parties, the Authority also heard the two PBS journalists who were involved in the reports under discussion. The Authority held that the complaint revolved around three main issues, namely: a) the press conference of the PL; b) the interview with the Minister in the studio; and c) the live reporting from Athens and Madrid. In view of the foregoing, the Authority decided that the complaint had not been adequately proven and could not be upheld.

5. INTERNATIONAL RELATIONS

This year the Broadcasting Authority was engaged more actively than usual in maintaining healthy dynamic relationships with regulatory authorities in the Mediterranean region through the organisation of the Plenary Session of the Mediterranean Network of Regulatory Authorities (MNRA). Owing to an unusually busy period connected to a referendum, the Authority's regulatory role tipped the scales and participation in the European Platform of Regulatory Authorities (EPRA) events was limited to one meeting. But the Maltese Authority took the opportunity to further enhance its overseas connections by accepting an invitation to form part of a new Committee for EU member states.

5.1 Committee for EU Regulatory Authorities

The Cypriot Broadcasting Authority (CRTA) supported by Portugal and Malta embarked on an initiative to set up a special committee which would incorporate EU member states.

The need has been felt to set up this organisation which would cater exclusively for broadcasting issues relating to EU member states. Given that EPRA caters for all European broadcasting authorities and membership in the MNRA is limited to nations within the Mediterranean basin, such a new Committee would concentrate on matters that relate exclusively to the members' affiliation with the European Union.

A preliminary meeting was held in Limassol, Cyprus on 5th May 2011. The Authority was represented by its Chairman and Chief Executive. The gathering explored ways and means of establishing closer collaboration in dealing with issues relating to broadcasting amongst EU member states.

The Authority was asked to share its experiences with the transposition of the Audiovisual Media Services Directive with specific reference to product placement. A presentation on the topic was made by the Chief Executive.

The Committee was expected to meet again in November at the invitation of the French Authority (CSA), but unfortunately this did not materialise and the CRTA has now pledged to revive this Committee with another meeting to be held in Cyprus this year.

5.2 European Platform of Regulatory Authorities

Two plenary sessions are usually held throughout the year for EPRA members. Given that the spring meeting was scheduled to take place on the same day as the divorce referendum (i.e. 28th May), the Authority was not present for the meeting held in Ohrid, Macedonia.

The following issues featured on the agenda of the meeting:

- Content Regulation and new Media: Exploring Regulatory Boundaries between Traditional and New Media
- Product Placement
- Radio in the Digital Environment
- EU spectrum policy/Digital Dividend
- Issues of Independence and Governance of Regulatory Authorities

During the meeting in Ohrid, a new committee for EPRA was elected. The members were elected for a two-year term.

The October session was held in Brussels, Belgium and the Authority was represented by its Chairman and Chief Executive. The main topic in the keynote address was: *Content Regulation and New Media: Jurisdiction Challenges in a Video on Demand Environment*. The Chairman participated in the working group on product placement while the Chief Executive attended the discussion on new media and the protection of minors.

5.3 Mediterranean Network of Regulatory Authorities

This was a particularly busy year for the Authority as it held the Vice-Presidency of the Network and as a result was charged with the organisation of the Technical Commission Meeting and the Plenary Session.

Following consultation with the RTUK (the Turkish Authority) which held the Presidency of the Network, the Technical Commission Meeting was held in Malta at the Seashells Resort at Suncrest Hotel in late June. The meeting was well attended with delegates from Turkey, France, Cyprus, Greece, Albania, Croatia, Lebanon, Morocco, France and Macedonia travelling to Malta to establish the agenda for the plenary session. Following an intense one-day workshop, the members unanimously decided that the two main topics for the Plenary Session should focus on thematic programming and reality television.

During the next few months, the agenda was revised a number of times, namely to reflect the interest expressed from various authorities and the number of keynote speakers that came forward to deliver presentations during the session. The political upheaval in North Africa and the Middle East played a major role in re-shaping the final agenda of the meeting. In fact, one of the keynote topics focused on the challenges of audio-visual regulation in the Mediterranean basin.

The plenary session was held in the third week of November, which by normal standards can be considered to be very late in the year. Given the many fora and seminars happening in the Mediterranean region as well as important elections and religious events taking place in other countries, it was unanimously agreed that the plenary session was to be held in Malta on 24th and 25th November.

The Plenary Session was held at the Grand Hotel Excelsior and was officially inaugurated by H.E. Dr George Abela, President of Malta. Keynote presentations were delivered by the Chief Executive and the Head Monitoring of the Authority as well as by the BCRM (Macedonia), AGCOM (Italy) and CSA (France).

Members of nineteen regulatory authorities travelled to Malta for this session, making the 13th plenary session of the Network one of the best ever attended meetings in the history of this important organisation. Only Greece and Croatia were not present in Malta whilst a delegation from Kosovo attended the meeting to submit its application to join the Network as an observer member.

At the end of the two-day meeting, the members unanimously decided to accept Montenegro as a member within MNRA and Kosovo as an observer member as per the statute of the Network. Portugal was elected as the vice-Chair of the Network for the coming year, meaning that both the Technical Commission meeting and the Plenary Session of 2012 will be held in Portugal.

The Chairman of the Authority, Anthony J Tabone, was handed the presidency of the Network by outgoing Turkish president, Professor Davut Dursun. In the closing speech, the Chairman of the Authority thanked RTUK for its work during the presidency and pledged Malta's commitment to ensure that MNRA remained an active and relevant network in the region.

5.4 Contact Committee established by the Audiovisual Media Services Directive

During the year two meetings (34th and 35th) were held by the EU Commission for the Contact Committee of the AVMS Directive at Albert Borschette Conference Centre, Brussels on 24th May and 23rd November 2011. The 34th meeting was attended by Mr Mario Axiak, Head of Research & Communications. The 35th meeting coincided with the start of the bi-annual meeting of the Mediterranean Network of Regulatory Authorities hosted by the Broadcasting Authority in Malta, and arrangements were made so that a representative from the Permanent Representation Office of Malta for the EU would attend.

6. THE DIVORCE REFERENDUM

No elections were on the cards for the year in review until the divorce issue took the country by storm and eventually led to the Prime Minister and the Leader of the Opposition agreeing to a consultative referendum on the introduction or otherwise of divorce. This was held on 28th May.

The divorce issue posed a rather unique situation for the Authority as there was a division of opinion within political parties themselves on the issue. Apart from Alternattiva Demokratika, which had always declared its position in favour of divorce, initially the two main political parties had no clear stand on the matter. As the campaign unfolded, the Nationalist Party declared itself against the introduction of divorce while the Partit Laburista never expressed an official position on the matter. In truth, there was a divergence of opinion on the issue within each major Party, and on this premise, the Authority recommended that the political parties should not be involved in the scheme of political broadcasts that the Authority was duty bound to organise.

Although in recent years the Authority had always been charged with organising schemes of political broadcasts for political parties, Article 13(4) of the Broadcasting Act *inter alia* states that:

“It shall also be the duty of the Authority to organiseto produce properly balanced discussions and debates that afford access to persons from different interest-groups and with different points of view”.

Following discussions with the three main political parties in Malta, an agreement was reached whereby Alternattiva Demokratika was granted ten minutes of political spots, ALDM (Alleanza Liberali Demokratika Malta) was awarded two 30-second spots whilst the Nationalist Party and Partit Laburista agreed not to participate in the scheme. This decision left the door open for the Authority to organise a scheme of broadcasts which was limited exclusively to the two main Movements of the campaign: *Moviment Iva Ghaz-Zwieg, Iva Ghad-Divorzju* and *Moviment Le Ghad-Divorzju*.

Following a series of meetings with representatives of the two Movements, the Authority finalised a scheme of broadcasts which consisted of the following:

- one 60-minute debate involving two representatives from each Movement;
- one 45-minute debate between the two chairpersons of the movements;
- two 60-minute news conferences (one for each Movement);
- 60 minutes for each Movement for spots and productions.

The two debates were aired on TVM on Wednesday 11th May and Thursday 26th May respectively while the two news conferences were broadcast on Tuesday 17th and Thursday 19th May. Dr Deborah Schembri, *Chairperson of the Moviment Iva Ghad-Divorzju*, participated in the news conference during

which she answered questions put forward by journalists from PBS Ltd, RTK, Media.Link Communications, Allied Newspapers, Di-ve.com and Favourite Channel while Dr Arthur Galea Salamone answered questions addressed by journalists from PBS Ltd, RTK, One, Malta Today, The Malta Independent and L-Orizzont.

As the campaign progressed, a number of Movements in favour of or against the introduction of divorce were formed. The *Movement Kristu Iva, Divorzju Le* contended that it should be apportioned airtime to participate in the scheme of broadcasts organised by the Authority. However, the Authority ruled that the two opposing schools of thought were being represented in its scheme as this incorporated those who were in favour and those who opposed the introduction of divorce.

6.1 Directive governing broadcasts during referendum campaign

Under Article 15 of the Broadcasting Act, the Authority issued a directive to all broadcasting stations governing the period 11th April to 28th May. During the said period, a number of infringements were noted which led the Chief Executive to issue a charge against the defaulting stations. Although these charges are listed elsewhere in this annual report (Administrative Offences), hereunder is an overview of the charges decided by the Authority relating to the days of silence.

6.1.1 Campus FM – ‘X’rajt, Qrajt, Smajt..... u x’Nahseb Jien’ broadcast on 27th May.

During this programme, the presenter made specific reference to the divorce issue and argued against a position taken by a member of the clergy in the debate as to whether divorce should be introduced in Malta. The Authority decided that the contents of this broadcast were in breach of its directive issued in relation to the divorce referendum campaign and imposed a fine of €4,660 suspended for a 30-month period.

6.1.2 Radju Marija – ‘Il-Mulej Hu r- Ragħaj Tieghi’ broadcast on 27th May.

During this programme, the presenter made specific references against the introduction of divorce in Malta. The Authority decided that this broadcast breached the provisions of the directive issued to all broadcasting stations in relation to the divorce referendum and found the station guilty of the offence under Article 15 of the Broadcasting Act. It fined the station €4,660 suspended for a 30-month period.

6.1.3 ONE

There were three instances during the marathon broadcast transmitted on 28th May in which the station allegedly breached the provisions of the directive issued by the Authority in relation to the divorce referendum. One case involved a political analysis of the divorce referendum which included specific comments on the positions taken by the main political parties on the issue. The second case involved the broadcast of a comment made the Leader of the Opposition just as he had cast his vote, and the third involved news updates broadcast late in the evening when the polling stations were still open which highlighted the statement made by the Church regarding its position in the divorce campaign. In these

three instances, the Authority found that ONE had breached the provisions of the directive and imposed a fine of €4,660.

6.1.4 TVM – ‘Kelma Għall-Ħajja’

The Chief Executive issued a charge against TVM for an alleged breach of the directive, given that part of this religious programme broadcast on 28th May focused on the importance of the family. As the concept of family was closely linked to the divorce referendum, the Chief Executive argued that such a broadcast should not have been aired on the days of silence. The Authority, however, did not agree with the arguments made by the Chief Executive and decided that TVM had not breached the directive on divorce as a result of this broadcast.

6.1.5 NET TV

The Chief Executive issued a charge against NET TV for an alleged breach of the divorce directive as during a special broadcast transmitted on 28th May, a couple belonging to the Cana Movement was interviewed on its work undertaken during past years. The Chief Executive argued that such a broadcast was in breach of the directive on the days of silence, given that the Cana Movement was closely associated with the institution of marriage and hence this had a bearing on the divorce issue. After hearing the submissions by the station, the Authority ruled that there was no breach of the directive as a result of this broadcast.

6.1.6 Constitutional Case against the Authority

On 12th May, the *Moviment Iva Ghaz-Zwieg, Iva Għad-Divorzju* aired a political spot in which a clip featuring Reverend Charles Vella, founder of the Cana Movement, was used. This clip, which was originally featured on ONE during an edition of *Bla Agenda* hosted by Norman Hamilton, included Fr Vella stating, amongst other things, that divorce did not scare him. The spot was aired on TVM as part of the scheme of broadcasts organised by the Authority and the following day, Fr Vella's lawyers filed a complaint with the Authority on the grounds that their client was quoted out of context which gave the impression that the founder of the Cana Movement was in favour of divorce.

After seeking legal advice, the Authority ruled that the clip should not be broadcast again as part of this scheme and this led to the *Moviment Iva Għad-Divorzju* filing a constitutional case against the Authority for a breach of freedom of expression. The Movement asked the Court to appoint the case with urgency and the Court, under Judge Zammit Mckeen delivered judgement on Monday 23rd May. It ruled in favour of the Authority, thus justifying the decision for the withdrawal of the spot featuring Reverend Vella.

7. RADIO AND TELEVISION AUDIENCE ASSESSMENT

Article 30(2) of the Broadcasting Act, Chapter 350 of the Laws of Malta requires the Broadcasting Authority to collect relevant data on audiences of broadcast media on radio and television to ascertain:

- (a) *the state of listenership or viewership of broadcasting services provided in Malta;*
- (b) *the state of public opinion concerning programmes included in broadcasting services provided in Malta;*
- (c) *any effects of such programmes on the attitudes or behaviour of those who watch them; and*
- (d) *the types of programmes that members of the public would like to be included in broadcasting services provided in Malta.*

Again this year, the Broadcasting Authority commissioned the National Statistics Office for the collection of relevant data on audiences. Although the Broadcasting Authority regulates broadcasting content of all local radio and television broadcasts, its primary obligation is not only towards the stations licensed but also that of ensuring adequate quality levels of broadcasting to the general public and that of providing such data to all media players including the business community that makes use of such platforms.

The National Statistics Office collected the data on a daily basis through telephone interviews based on a stratified sample in harmony to national demographics; this was forwarded to the Broadcasting Authority on a quarterly basis. The total averaged results of each quarter eliminate any possibility of misleading 'high-peaked audiences' attributed to programme manipulation by radio and television producers and results in a continuous analysis and monitoring of radio and television audiences.

The National Statistics Office administered the survey parameters and data collection. Respondents are known only to the N.S.O., and the Authority only receives the gender, age, and location (together with the media preferences) of each respondent. No other personal data is revealed and no respondent can ever be identified. This is evident from the high response rate attained by the N.S.O. The net sample size over a broadcasting year starting October 2010 to September 2011 consisted of 7,297 respondents, resulting in the desired target participants of 20 daily interviewees. Throughout this period, the Broadcasting Authority published four audience assessments with each assessment having the following response rate and margin of error:

	Oct 2010 to Sep 2011	Oct-Dec 2010		Jan-Mar 2011		Apr-Jun 2011		Jul-Sep 2011	
		n	%	n	%	n	%	n	%
Contacted	13,227	3,265	100.0	3,127	100.0	3,147	100.0	3,688	100.0
Accepted	7,297	1,837	56.26	1,800	57.56	1,820	57.83	1,840	49.89
Refused	591	173	5.30	130	4.16	130	4.13	158	4.28
Unreachable	2,822	650	19.91	616	19.70	616	19.57	940	25.49
Non-Contact	2,492	599	18.35	575	18.39	575	18.27	743	20.15
Ineligible	25	6	0.18	6	0.19	6	0.19	7	0.19
Population [N]		358,997		366,503		369,716		370,215	
Response Rate	55.17%	56.26%		57.56%		57.83%		49.89%	
Refused	4.47%	5.30%		4.16%		4.13%		4.28%	
Margin of Error		2.26%		2.28%		2.26%		2.29%	

The minimum age of respondents was 12 years while the oldest person interviewed during this period was 101 years old, and on average, only 4.47% of all those contacted refused to participate. This resulted in an average response rate of 55.17%.

For each quarter the N.S.O. provided the Authority with the estimated total population size of all persons over 12 years old; a calibration weight for each respondent so that the replies could be weighted to represent the desired quarterly sample; and a grossing-up weight for each respondent to represent the total population. These weights were used in the publication of quarterly audience statistics.

For this assessment period, slight ameliorations were also introduced. When interviewers researched the type of television reception systems available at households, respondents were directly asked whether they have “Melita” and/or “GO” instead of “Cable analogue and/or digital system” and/or “Digital Aerial with decoder system”. For this question respondents were also asked whether they have a “Free-to-air Aerial”; a “Satellite”; make use of the “Internet (including Dreambox)”; any other system not mentioned; or do not have a TV-set – thus allowing for multiple replies.

During this assessment period a Consultative National Referendum was held on 28th May in which the electorate voted to permit the introduction of divorce. Political Broadcasts organised by the Broadcasting Authority were held on 11th, 17th, 19th, and 26th May 2011.

On 24th June, Legal Notice No. 240 of 2011, *General Interest Objectives (Television Services) Selection Criteria) Regulations, 2011*, was published in the Government Gazette, setting out the criteria to be adopted by the Broadcasting Authority in the selection of television services that fulfil a general interest objective for both generalist or niche broadcasting services. This legal notice set the way for the setting-up of the “free-to-air” broadcasting stations and the run-down to the switch-over from analogue to digital TV broadcasting.

On 27th June the Broadcasting Authority issued calls for application for GIO status of TV broadcasting stations to be hosted on the free-to-air broadcasting platform run by the public broadcaster PBS Ltd. in view of digital change-over at the end of October 2011. The process was carried out jointly by the Broadcasting Authority and the Malta Communications Authority under a consultative committee with local stakeholders. The selection process was concluded on 20th July 2011. Since TVM and Education 22 are both run by the public broadcaster and due to their national obligations, these two stations were *defacto* given GIO status. Of the other local broadcasting stations, ONE, Net TV, Smash TV and Favourite Channel were selected and given GIO status.

7.1 Audience Analysis

For each broadcast quarter, the analysis of radio and television audiences is prepared on two different parameters:

- **audience reach** which is defined as the number of listeners/viewers of a particular broadcasting station; and
- **audience share** which is the total amount of broadcasting time that is consumed by listeners/viewers.

These two measures can be made use of differently depending on the scrutiny being made by the end-users of this assessment. While advertisers are interested in the number and composition of people that tune-in to a particular broadcasting station, station managers are more concerned with the length of time that they can maintain with their audiences.

7.2 Radio and Television Consumption

On the above basis, radio and television consumption can be measured through these two constants: comparison between media consumers against non-users; and the daily average hours that listeners and viewers spend with their reception sets.

Since 2006 regular radio listening was maintained with just over/under the 50% level of the population with radio listeners constantly exceeding non-listeners by about 10% for the past nine broadcasting seasons since April-June 2009. Radio listening through the summer months of July to September of each year has only seen a very slight increase over the previous yearly quarters of the same year. This means that the high rise in radio listening that is expected during the summer months as against that during peak TV season is marginally significant as it does not exceed the 5% mark when also considering the margin of error. Thus, on a quarterly basis, the number of people listening to radio is quite regular during the whole year with only a slight increase during the summer months – see Table and Figure 1 below.

Taking all radio listeners and the time they had spent listening to radio, it can be seen that the total number of hours that regular radio listeners spend listening to programmes has decreased by more than 29.7% from 4.41 hours for October-December 2006 to 3.10 hours for July-September 2011. On the other hand, taking all consumed time-slots and dividing over the whole population, national average radio consumption has decreased by 28.32% from 2.26 hours to 1.62 hours of daily listening – see Table and Figure 2 below.

The figures indicate that although radio listeners steadily exceeded non-listeners for the past ten broadcasting quarters [since April-June 2009], there was also a decrease in the number of daily average hours spent by consumers, indicating that radio listeners may be turning to other forms of media platforms.

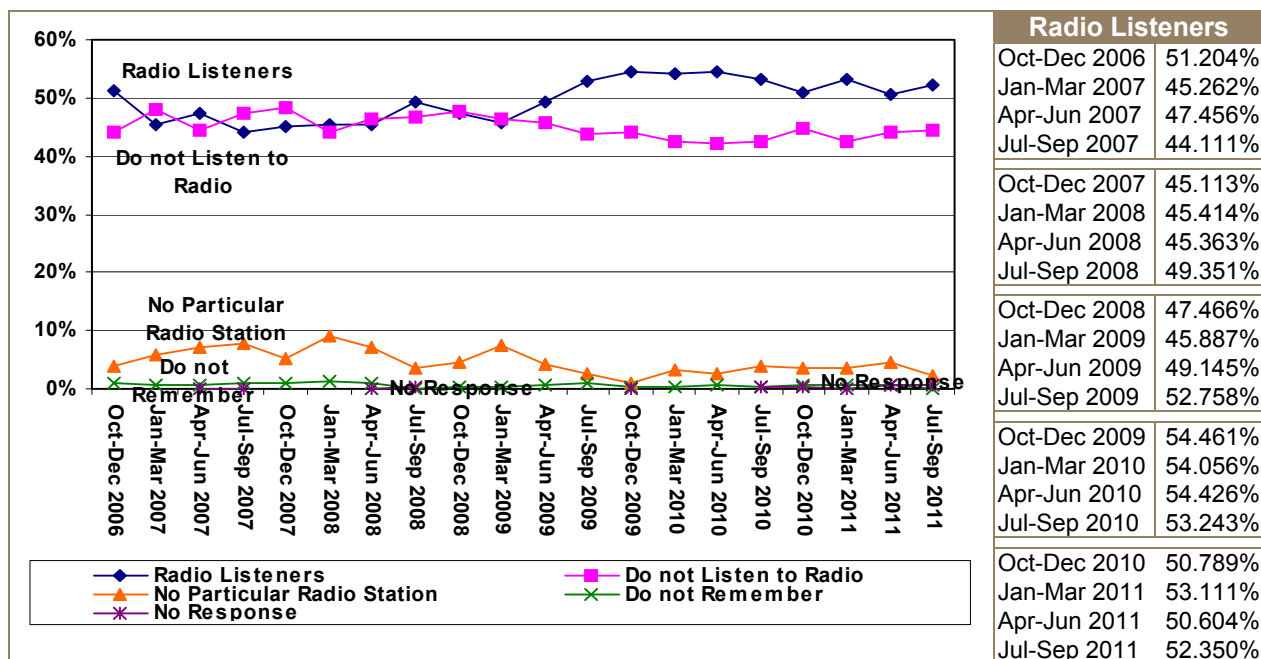


FIGURE 1: RADIO LISTENING BY QUARTERS
[OCT/DEC 2006 – JUL/SEP 2011]

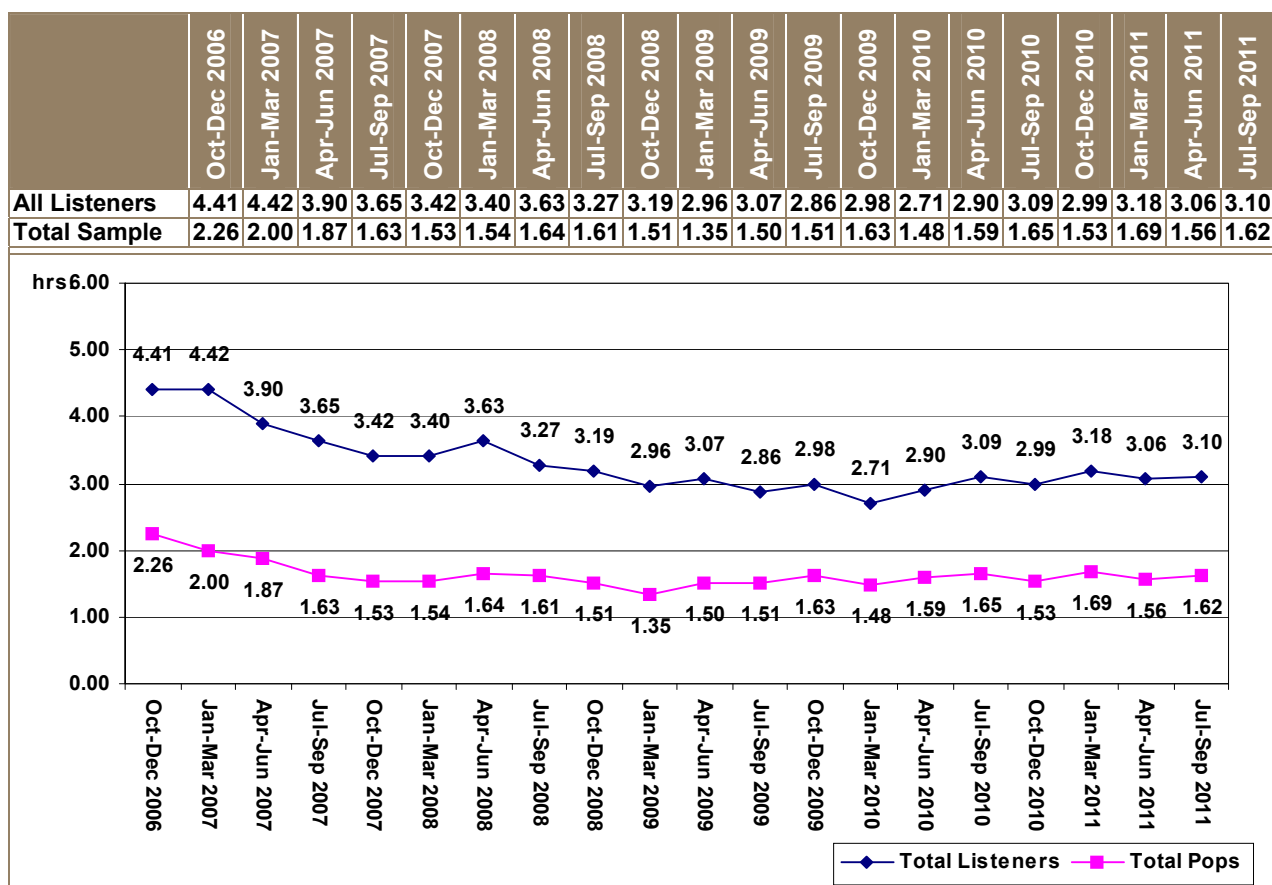


FIGURE 2: TOTAL DAILY RADIO AVERAGE CONSUMPTION BY HOURS
[OCT/DEC 2006 – JUL/SEP 2011]

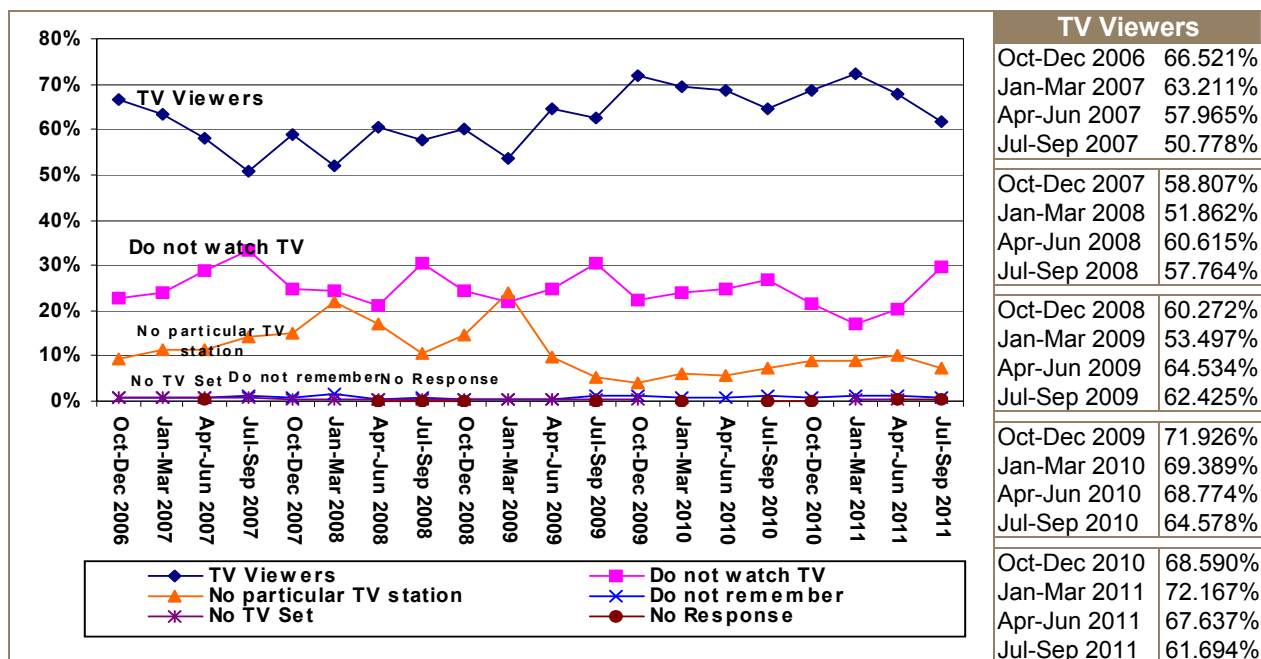


FIGURE 3: TV VIEWING BY QUARTERS
[OCT-DEC 2006 TO JUL-SEP 2011]

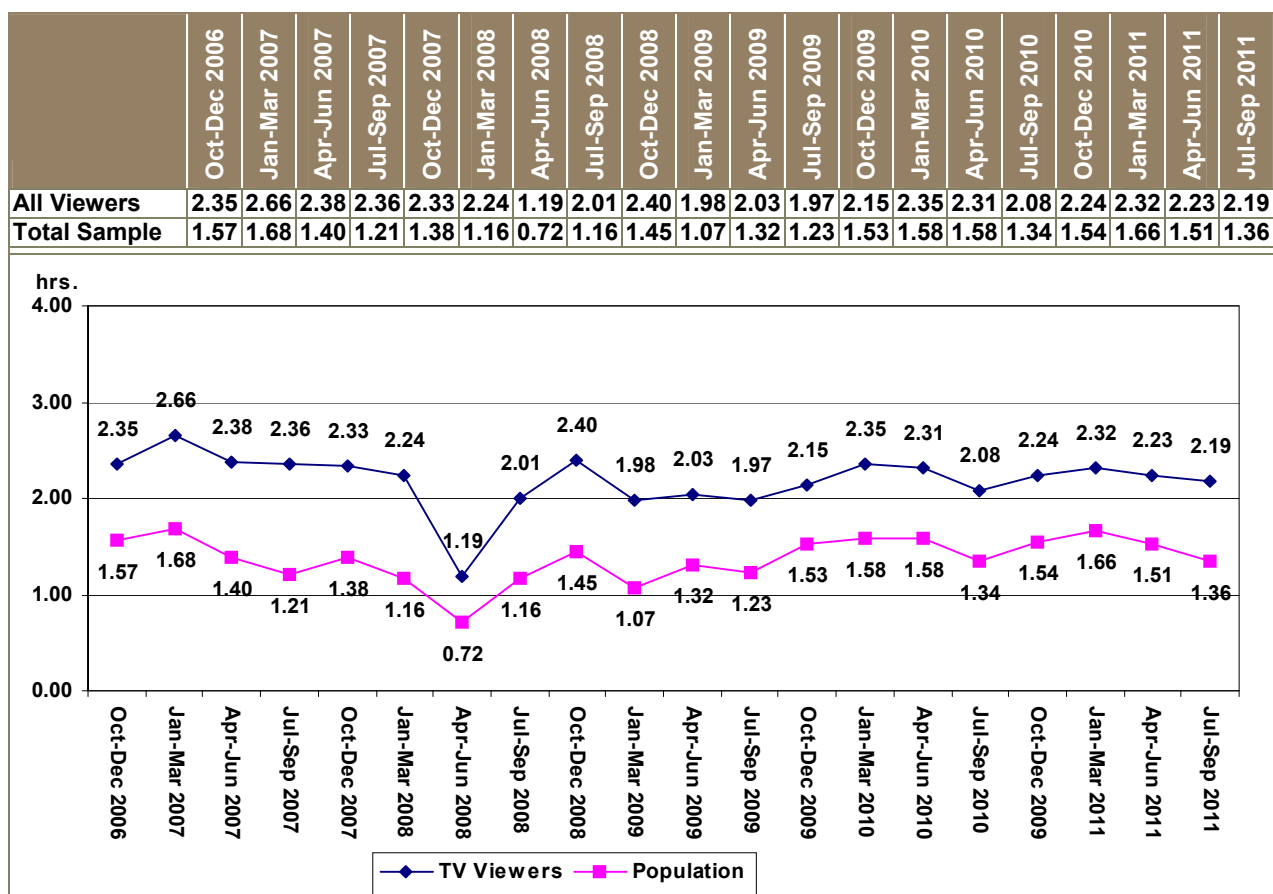


FIGURE 4: TOTAL DAILY TV AVERAGE CONSUMPTION BY HOURS
[OCT/DEC 2006 – JUL/SEP 2010]

Similar to radio, the expected loss of television viewing to radio listening during the summer months was only marginal and confirms that TV viewing only decreases marginally during the summer period while reaching its highest in the following quarter – the start of the broadcasting season. Of note is the trend of those who stated that they had watched television the day before the interview but did not watch any particular station: this implies channel hopping – see Figure 3 above.

On the other hand, and unlike radio where there is visibly a slight downward trend, the daily average number of TV-hours consumed has remained quite constant with slightly low peaks during the summer months – see Figure 4 above.

These two statements have a great bearing on the scheduling of programmes by both radio and television stations, the number of listeners and viewers of each broadcasting station, and each station's audience share.

Since the quarter of October-December 2008, Bay Radio has attracted the largest number of radio listeners, followed by ONE Radio and Calypso Radio – see Figure 5 below. However, taking into consideration the amount of time spent by radio listeners, the ranking of broadcasting stations by audiences differs for these same three stations – see Figure 6 below. Although these and ten other radio stations all broadcast nationwide, the compositions of their audiences differ depending on the type of broadcast content being provided and the section of the population being targeted by the respective station. The amount of time that listeners of Bay Radio have tuned in is much less than the amount of time listeners spent listening to ONE Radio and although Bay Radio has attracted the largest number of listeners, its share of audiences often ranked second and third. In fact, since July-September 2009 the audience shares of these three top stations have reversed positions with each other.

The marked distinction of these three radio stations over the rest of the stations is evident in both the rankings by the number of listeners as well as the rankings by the audience share of each station.

Similarly to the above, three TV stations have maintained their top positions throughout with regard to audience size: TVM, ONE and NET TV – see Figure 7 below. On the other hand, TVM has lost its audience share to ONE during the summer periods of July-September 2007, 2008, 2009, and 2010 repeatedly – see Figure 8 below. Moreover, although ONE ranked first during the summer months, when the total audience shares were classified by local stations' and foreign stations' audiences, results show that local TV-viewers watch more foreign broadcasting stations than local stations during the same quarters – see Figure 9 below.

For sure, in both radio and television, listeners and viewers have become less station-elite and would follow their favourite programme genre on any station that meets their preference.

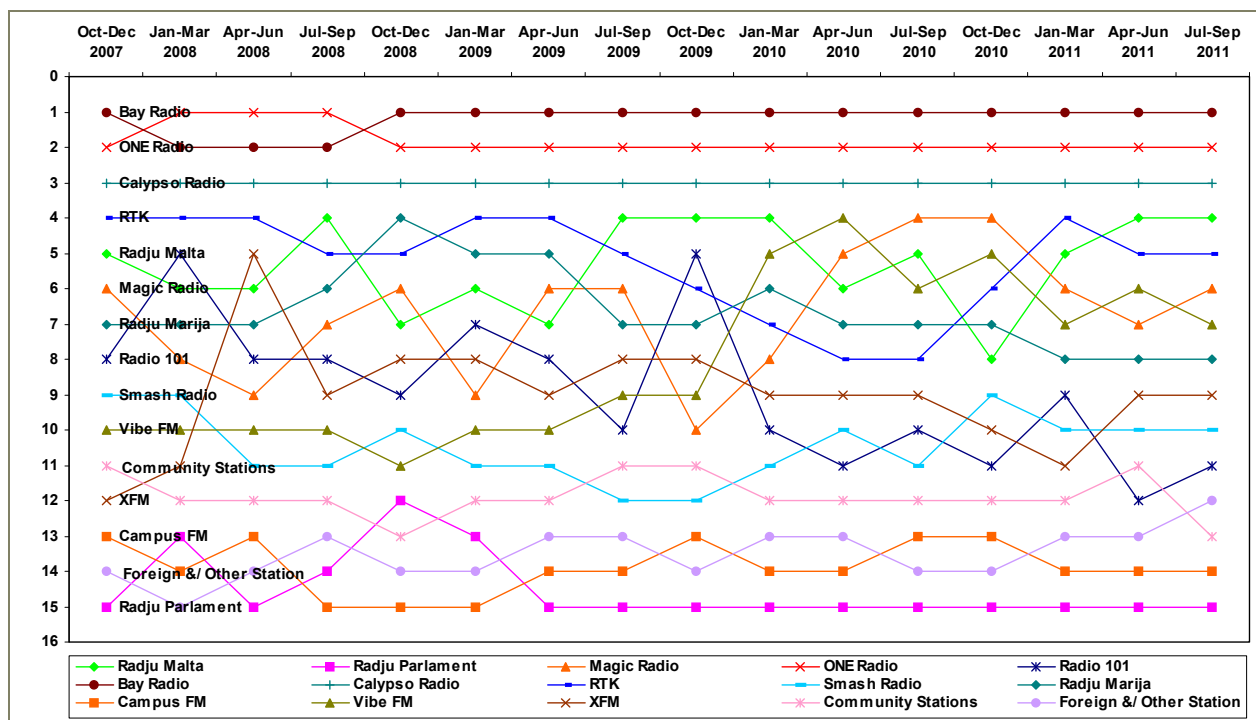


FIGURE 5: RANKING OF RADIO BROADCASTING STATIONS BASED ON THE NUMBER OF LISTENERS

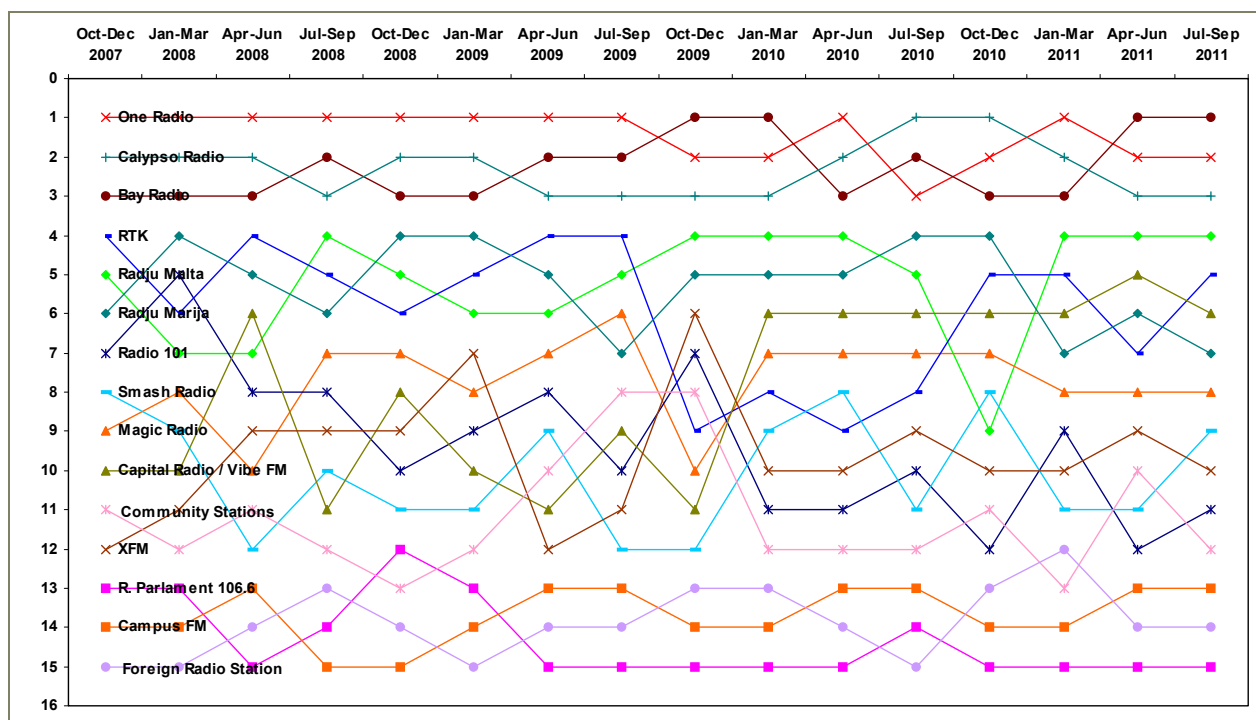


FIGURE 6: RANKING OF RADIO BROADCASTING STATIONS BASED ON AUDIENCES

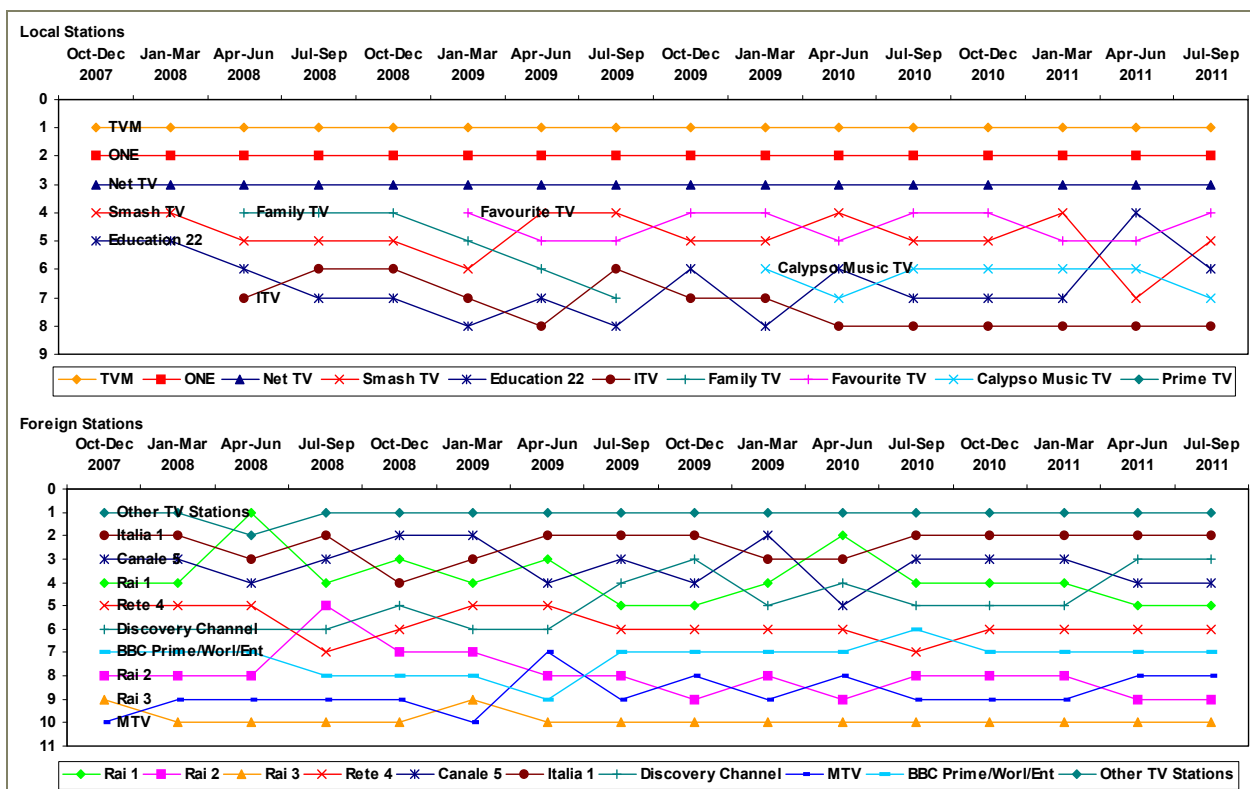


FIGURE 7: RANKING OF TV BROADCASTING STATIONS BASED ON THE NUMBER OF VIEWERS

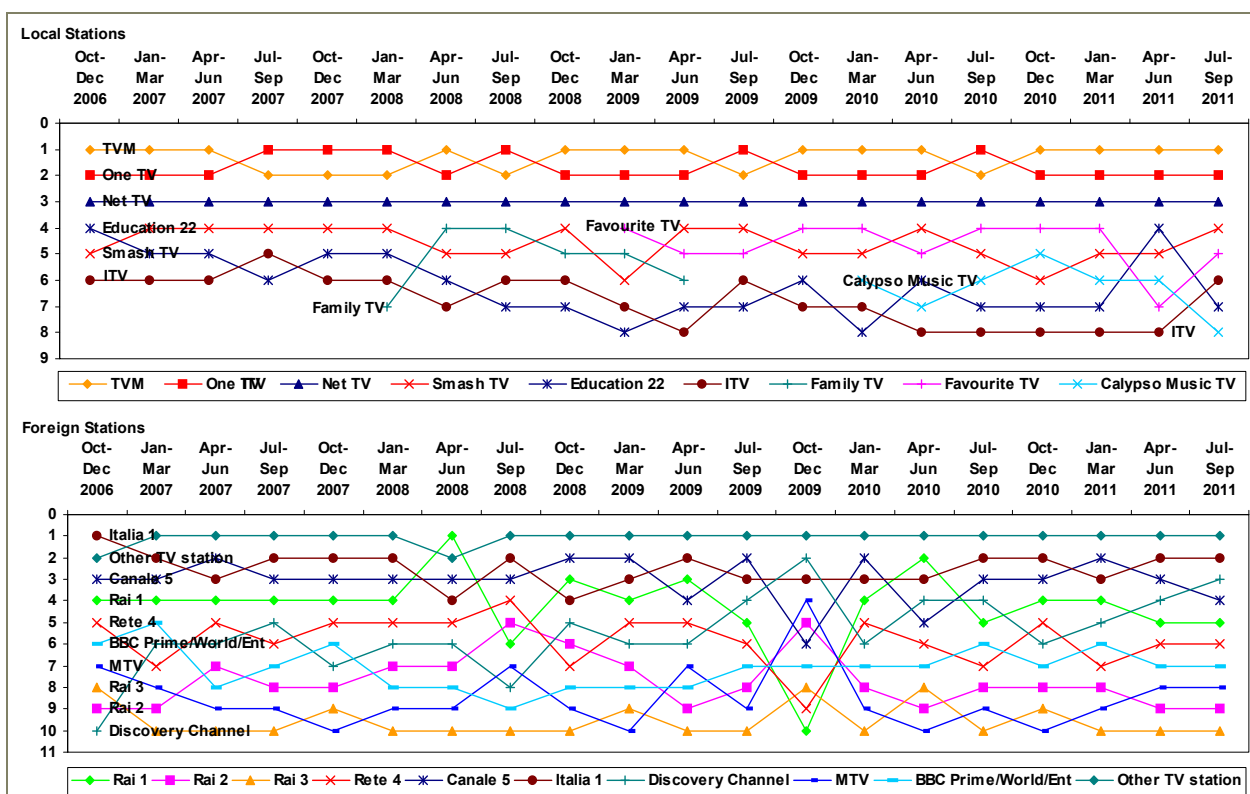


FIGURE 8: RANKING OF TV BROADCASTING STATIONS BASED ON AUDIENCES

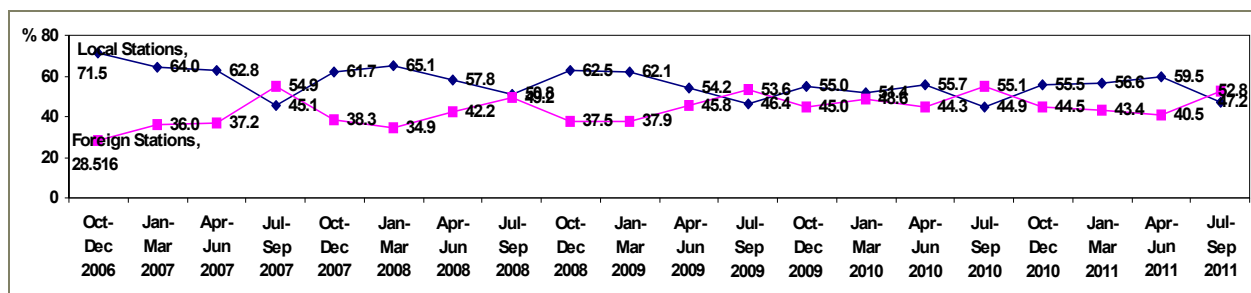


FIGURE 9: TOTAL LOCAL AND FOREIGN TV AUDIENCES

Moreover, the difference between the total audiences for local broadcasting stations and foreign stations has diminished – see October-December 2006, 2007, 2008, 2009, and 2010 in Figure 9 above. It is important to highlight that during this period there was the introduction of different forms of platforms for both radio and television, including multi-channel television in the form of cable and digital aerial services, satellite and Internet reception, and digital radio. Viewers with multiple channels, both satellite and cable, have a substantial advantage over viewers with only terrestrial free-to-air transmissions.

7.3 Reception Platforms

“For European Public Service Broadcasters ... as technology, the choice of digital terrestrial television [DTTV] ... represents the continuation of free-to-air broadcast television. In this sense, DTTV is a logical and the most natural choice for Public Service Broadcasters when switching from analogue to digital technology”.¹

The expense required in meeting the cost of new production and transmission equipment, and the expense of simulcasting in both analogue and digital until switch-off, have to be funded by both public service broadcasters and commercial broadcasters. While the extent of participation by Public Service Broadcasters is constrained by the amount of funding available to them and their public service mandates, the main financial concern for commercial broadcasters, however, is not the actual cost but rather the possible audience fragmentation resulting from the licensing of new digital channels.

The granting of DTTV licences to existing commercial broadcasters enables such licensees to operate across different platforms/channels and aggregate audiences across those channels, thus mitigating the potential financial harm resulting from digital transition. This is more so in the case where a switch-off date was announced with no threshold set neither for broadcasting standards nor for the reception capability by licensees and consumers/audiences respectively.

The implication of such licensing decision is that while in theory DTTV has the potential to enhance diversity of broadcasting, in practice it is mainly consolidating the position of existing operators in an already highly competitive multi-channel environment and leads towards an “all platforms” approach to digital television.

¹Taisto Hujanen, 2005: Implications for Public Service Broadcasters, pg 63; in Allan Brown and Robert G. Picard (Ed.), *Digital Terrestrial Television in Europe*, Lawrence Erlbaum Associates Publishers, London

In view of digital switchover and the introduction of pay-tv through cable and digital aerial, the Broadcasting Authority started researching the availability of the various platforms to local households as far back as October-December 2006. Without doubt, consumer knowledge of the system used “at home” was limited – interviewers had quite often to describe the set-top box [black or silver] hired by the respondents with complications arising when both set-top boxes became similar in colour, the situation worsening when respondents also had satellite reception.

In traditional broadcasts, users can only use their TV-set in a passive static way and are not able to interact. “The limited introduction of DTTV and interactive-TV to date appears to present classic cases of failure, or at least false starts, in the introduction of new technologies. Consumer disinterest and resistance have been particularly strong.”² Most viewers would be more interested in the programming that they can receive rather than in the form of transmission, while the issue of whether old ‘hardware’ could continue to be used is always present.

Over the last five broadcasting years, the Authority had practically to change/adopt this part of the assessment every year, especially with the increase of multiple household TV-sets. Once the possibility of multiple-replies was implemented in the assessment in October-December 2009, the percentage of people with multiple platforms has increased from 133.29% to 160.84% - see Figure 10 below.

The dramatic change experienced during the April-June 2010 quarter between the service providers Melita and GO prompted the N.S.O./Authority to ask the interviewed consumers a more direct question: “Do you have Melita installed at home?” and “Do you have GO installed at home?” – rather than a technical description of the system used.

The key to acquiring and maintaining pay-TV subscriptions is through the acquisition of strategic programming, especially movies and sports³. There has been heavy competition between local pay-TV service providers and the loss/acquisition of rights for the FIFA World Cup Championship 2010 proves this [April-June 2010]. This event and its viewer expectation prompted not only a transfer between service providers but also an increase in the usage of free-to-air aerials: from 12.83% in July-September 2009 to 33.82% for April-June 2010.

Similarly for satellite dish systems: the acquisition of sports rights has also prompted an increase in such systems from 17.39% in October-December 2009 with the highest of 25.89% for the same period in 2010. And lately, there was also a steady increase in the use of Internet, which also includes the use of a Dreambox decoder and which has levelled off at 19.44%.

²; Robert .G. Picard, 2005; A Consumer Perspective on Digital Terrestrial and Interactive Television, pg. 144 in Allan Brown and Robert G. Picard (Ed.), *Digital Terrestrial Television in Europe*, Lawrence Erlbaum Associates Publishers, London

³ Humphreya, Peter & Matthias Land, 1998; Digital television between the economy and pluralism, pp. 9-35 in Jeanette Steemers (Ed.), *Changing Channels: The Prospects for Television in a Digital World*, Luton University Press

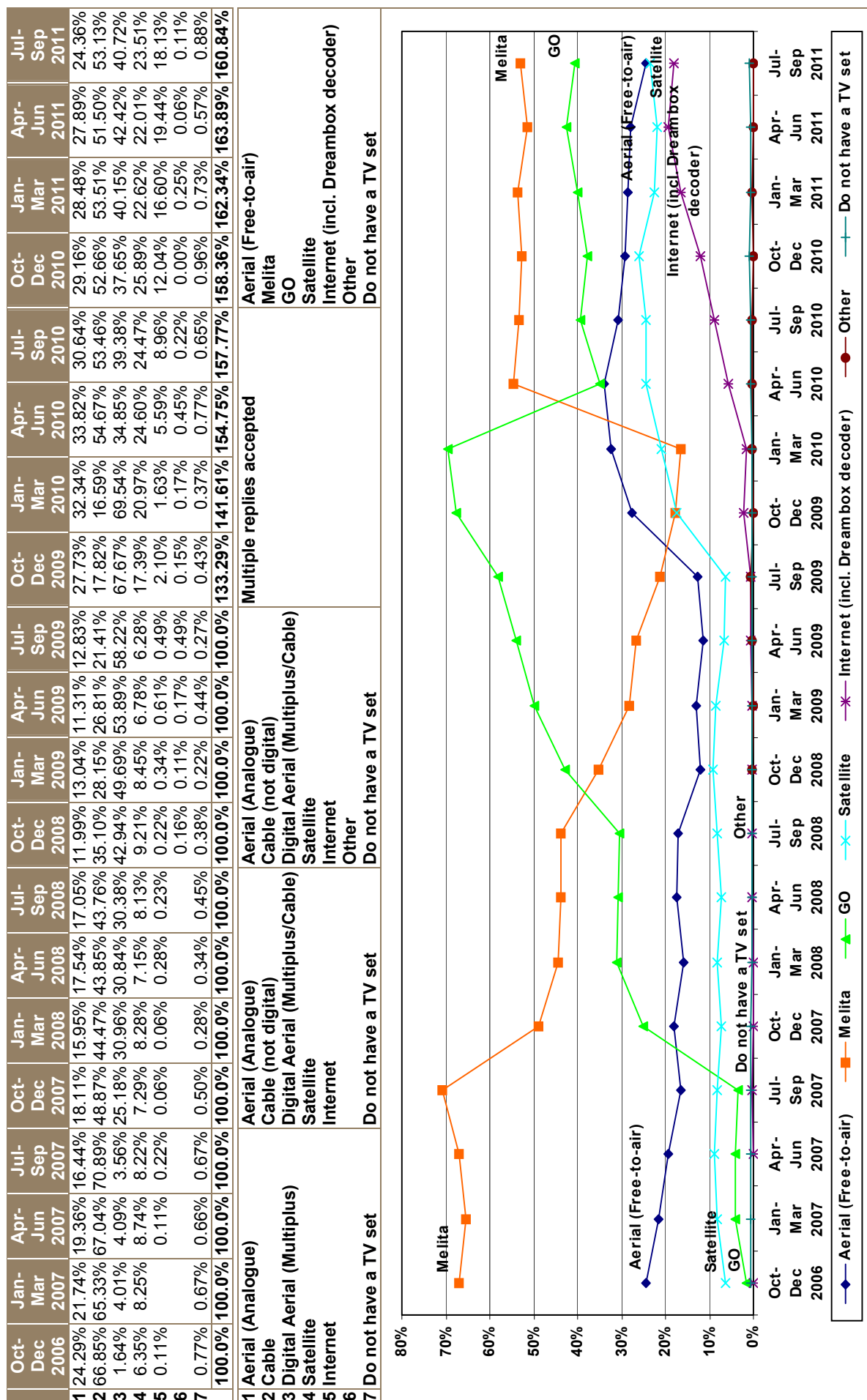


FIGURE 10: TV RECEPTION SYSTEMS

Multiple responses by consumers not only lend themselves to multiple-use analysis of the available platforms but also the extent of use of such systems. The percentage of viewers having both services installed has doubled for the quarter April-June 2010 over the previous assessment period to 1.67% and has maintained that same level. On the other hand, the number of viewers who depend **only** on one service provider constitute about 50% of that service's total users [57% for Melita and 51.9% for GO] – see Figure 11 below.

Although the use of such platforms seems to have stabilized during the past six broadcasting quarters, it is important to point out that both the service providers [Melita and GO] heavily advertise on-demand television services which were started towards the end of 2011.

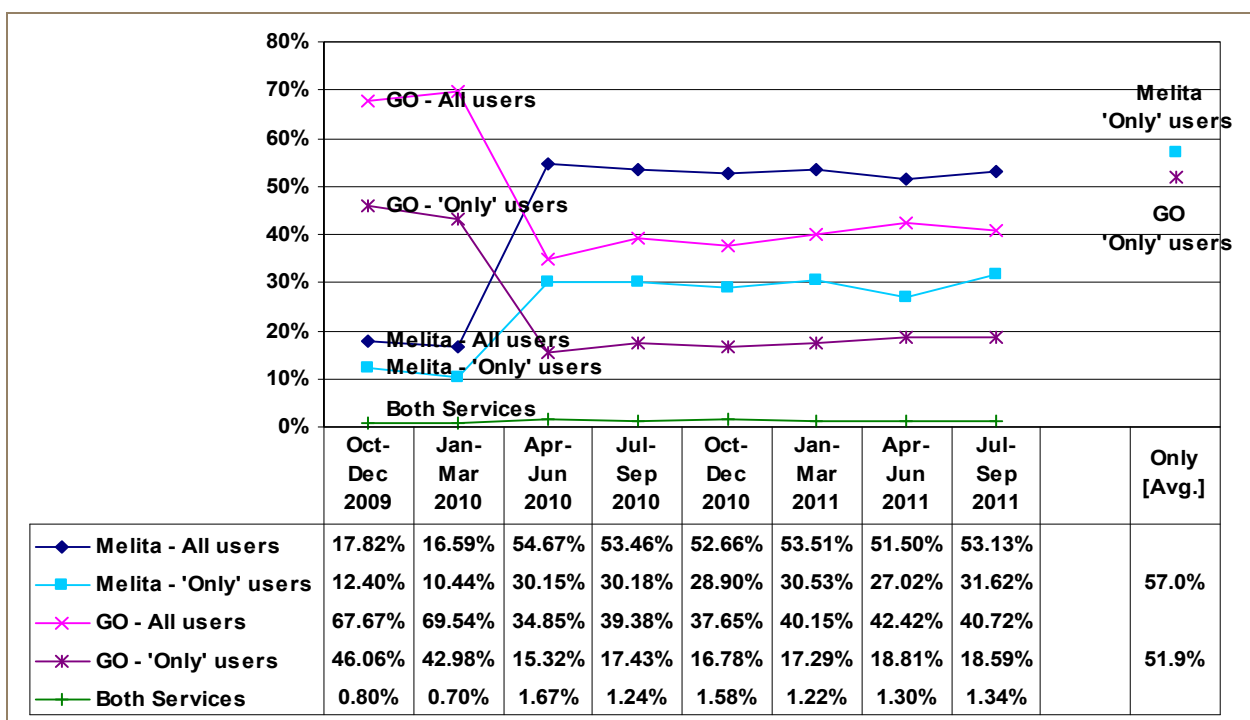


FIGURE 11: 'MELITA' AND 'GO' USERS

On the other hand, with the advent of digital radio the Broadcasting Authority started monitoring the use of radio platforms during the period October-December 2008, with multiple replies being acceptable from the following year 2009. The number of respondents who stated that they do not have a radio system at home has drastically gone down over the past two broadcasting seasons to an average 6% of the population. Digital Radio, on the other hand seems to have followed the same “false” start found with television platforms – see Figure 12 below. FM platform users still rank high with an average of 86.88% for July-September 2011, 10.38% use Digital Radio, while 18.1% use other platforms as Internet for listening to their favourite radio station. Of all the responses received, 22.56% of the population have more than one system installed.

However, analysing the responses received, there is a downward trend of the number of FM 'Only' users and while 86.3% of 'All' FM users rely only on that platform for their reception, 43.9% of 'All' Digital users

rely solely on that platform. The number of listeners who would use 'other' systems has also shown a dramatic increase from 2.42% in October-December 2009 to 18.1% in July-September 2011, indicating that radio listeners are also opting for radio services on the Internet – see Figure 13 below.

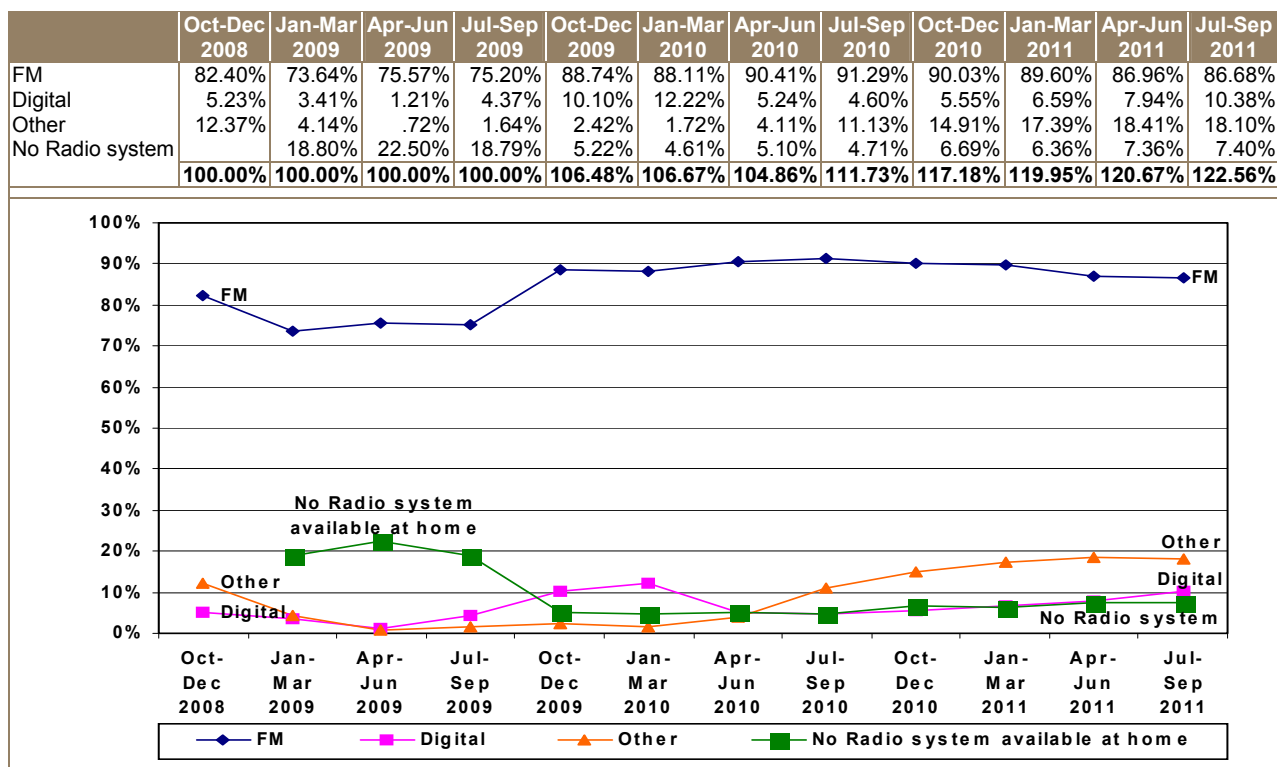


FIGURE 12: RADIO RECEPTION SYSTEMS

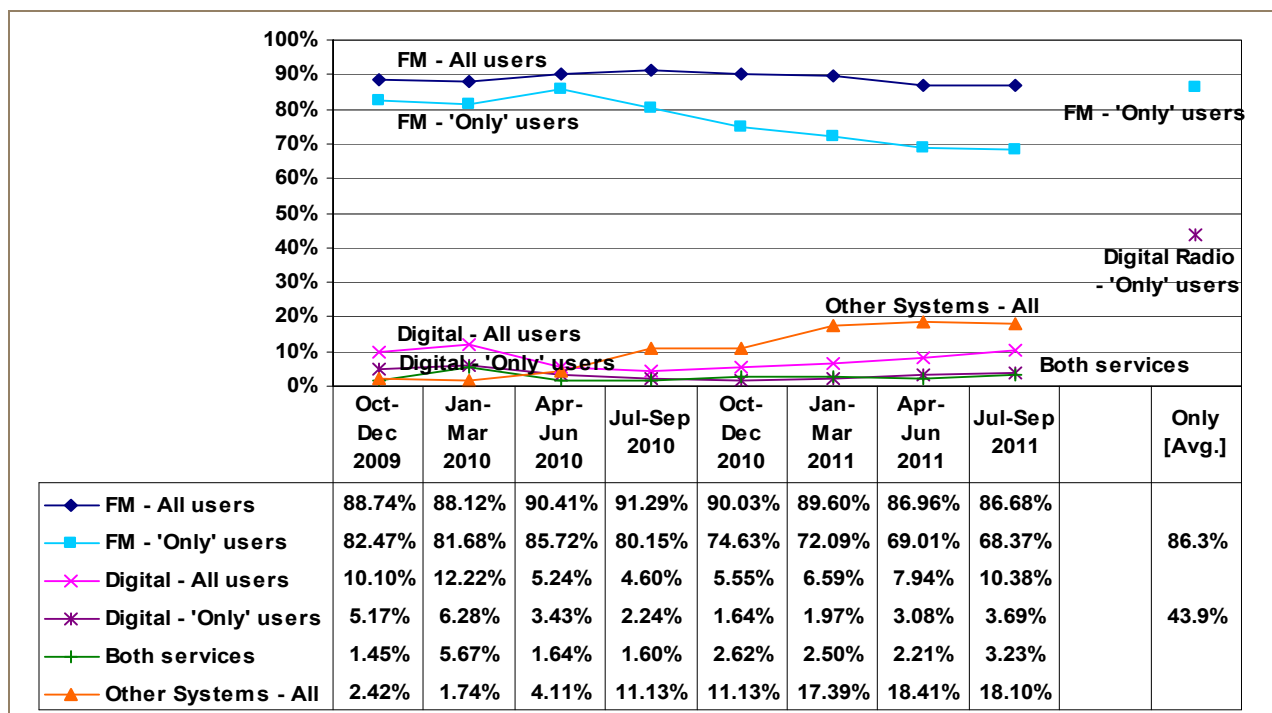


FIGURE 13: FM, DIGITAL AND 'OTHER' USERS

7.4 Teleshopping

In traditional television advertising, viewers are subjected to commercials during standard commercial breaks [including teleshopping breaks]. This is with the expectation that the viewers will notice/remember the product and its brand, and will eventually buy the product. Conversely, when the viewer or consumer actively accesses information about commercial products and services, broadcasters have to attract the viewers' attention and generate specific responses through interactivity - home shopping turns the television set into a 'virtual shopping mall' through the use of the set-top box and teleshopping channels.

To date this interactivity is still restricted through the use of a second platform such as the telephone, e-mail, web chat, web-links, and SMSs. Such interactive programming requires these interfaces as a return path to live television programming. Television broadcasters have embraced text messaging to enhance their programmes with viewers' voting, viewers' messages, and communicating with each other. This also allows for 'direct impulsive purchase' of products and services while the advert/programme is still on air.

Again, the Authority wanted to research teleshopping originating from the Maltese Islands. Respondents were asked whether they regularly watch teleshopping and on which channel. Teleshopping programmes are aired on local broadcasting stations, generally during the day off-peak hours. To-date there are two TV-channels dedicated to 24/7 Teleshopping: iTV and Prime TV Shopping Channel which started broadcasts in August, 2011.

During this broadcasting season the total yearly average of respondents stating that they regularly watch teleshopping programmes stands at 8.99% and on average, more than 91% of the population do not follow them regularly. Overall, teleshopping was viewed most on Smash TV [26.34%], followed by TVM [22.02%] and ONE [19.28%]. The dedicated teleshopping channel iTV registered only an average of 9.54% - see Figure 14 below.

Females follow more teleshopping than the male audience in the ratio of 2½:1: 12.79% of all females stated that they regularly watch teleshopping against 5.14% of all males. While more teleshopping is watched by those over 50 years old, of note are the children aged 12-14 [5.03%] who stated that they regularly watch teleshopping, a higher percentage than their older peers 15-24 year olds at 3.30%.

	Gender			Age Groups						
	Total	Male	Female	12-14	15-24	25-29	30-49	50-64	65-79	80+
Oct-Dec2010	9.24	4.66	13.78	6.88	3.13	9.27	6.20	9.67	21.44	21.27
Jan-Mar 2011	7.09	3.36	10.77	4.67	1.95	4.47	5.36	9.07	14.34	9.98
Apr-Jun 2011	9.23	5.14	13.23	3.60	2.70	5.05	7.54	12.78	15.45	19.61
Jul-Sep 2011	10.41	7.39	13.37	4.97	5.42	6.43	7.48	14.91	16.96	17.02
Avg %	8.99	5.14	12.79	5.03	3.30	6.30	6.64	11.61	17.05	16.97

	Oct-Dec 2010		Jan-Mar 2011		Apr-Jun 2011		Jul-Sep 2011		Yrly. Avg.	
	%	N	%	N	%	N	%	N	%	N
Yes	9.2	33,163	7.09	25,999	9.2	34,114	10.4	38,552	8.99	32,957
No	90.8	325,834	92.91	340,504	90.8	335,602	89.6	331,663	91.01	
	100%	358,997	100%	366,503	100%	369,716	100%	370,215	100%	
TVM	[3]18.83	6,243	[1]29.18	7,586	[3]23.14	7,892	[3]16.94	6,529	[2]22.02	7,063
ONE	[2]19.44	6,448	[2]20.77	5,399	[2]24.56	8,379	[4]12.36	4,764	[3]19.28	6,248
Net TV	[4]12.52	4,151	[4]10.54	2,740	[4] 4.96	1,691	[2]19.86	7,657	[4]11.97	4,060
Smash TV	[1]25.59	8,487	[3]20.41	5,307	[1]30.78	10,499	[1]28.58	11,018	[1]26.34	8,828
iTV	9.96	3,303	8.48	2,205	8.95	3,052	10.78	4,158	9.54	3,180
Favourite TV	5.34	1,769	2.93	761	1.96	670	3.71	1,432	3.48	1,158
Calypso Music TV	2.91	965			0.49	169			0.85	284
Other									1.35	0
Do not know	5.41	1,795	7.69	2,000	5.16	1,761	7.77	2,996	5.16	2,138
	100%	33,163	100%	25,999	100%	34,114	100%	38,552	100%	32,957

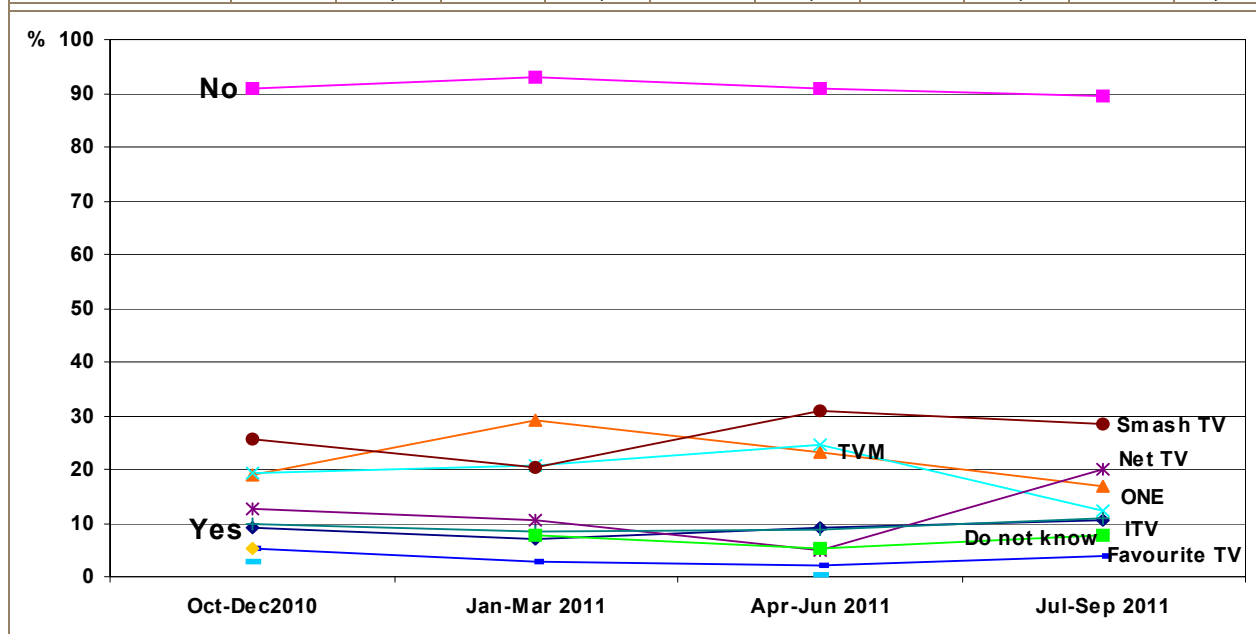


FIGURE 14: TEleshopping BY BROADCASTING STATION BY QUARTER [OCT/DEC 2010 – JUL/SEP 2011]

7.5 TV Programme Preferences

“Television presents images of violence in an enormous variety of contexts and formats. Through some of these genres, violence is presented as a legitimate action ... when it serves to enforce criminal justice when other systems of justice have failed.”⁴ On the other hand, while aggression in sport is seen as symbol for commitment, violence in sport is seen as an intended action to injure, intimidate or remove an opponent. And while the notion that sport ‘is good for you’ has had a long repute, “it is certain forms of exercise and not sport *per se* that is health-bestowing. Indeed, many sports, especially at elite levels, are positively injurious to health”.⁵

The heralding of each new medium of communication has always been accompanied by a host of popular anxieties about the cultural influence of its content, and the depiction of violence in media has been singled out as a matter of urgent public concern. Each medium continues to pose diverse challenges for

⁴ Cynthia Carter and C. Kay Weaver; 2003; Violence and the Media; pg. 93; Open University Press

⁵ Graham Scambler, 2005; Sport and Society – History, power and culture; pg 92; Open University Press

those concerned with public media, the least with respect to the familiar problem of how best to differentiate the public interest from what interests the public.

Respondents for this assessment were asked what their three favourite programmes were, well knowing that TV-viewers find it easier to indicate three programmes than to identify the genre of their favourite programmes. Besides, most locally produced programmes could easily fall into more than one genre of programmes.

All the programmes named each quarter were analysed and the ten most quoted programmes in each quarter were classified under five programme genres which included:

- Drama which consists of such programmes as *F'Salib it-Toroq*; *Emilja*, *Rubini*, and *Riħ Isfel* – all local dramatic productions;
- Plays: *Deċeduti*; *Simpatici*; *Rubini*; and *KC* – sitcoms with a flavour for light entertainment;
- Discussion programmes: *Xarabank*; *Affari Tagħna*; *Dissett* and *Bondi Plus*;
- Light entertainment: *Liquorish*
- Main News Bulletins of TVM, ONE, and Net TV.

On average, the list of top ten most quoted programmes got 68% of all named programmes in each quarter with drama and sitcoms ranking nearly always first and second respectively, followed by discussion programmes and the main news bulletins – see Figure 15 below. The analysis of the preferences by demographics is listed in Figure 16 below.

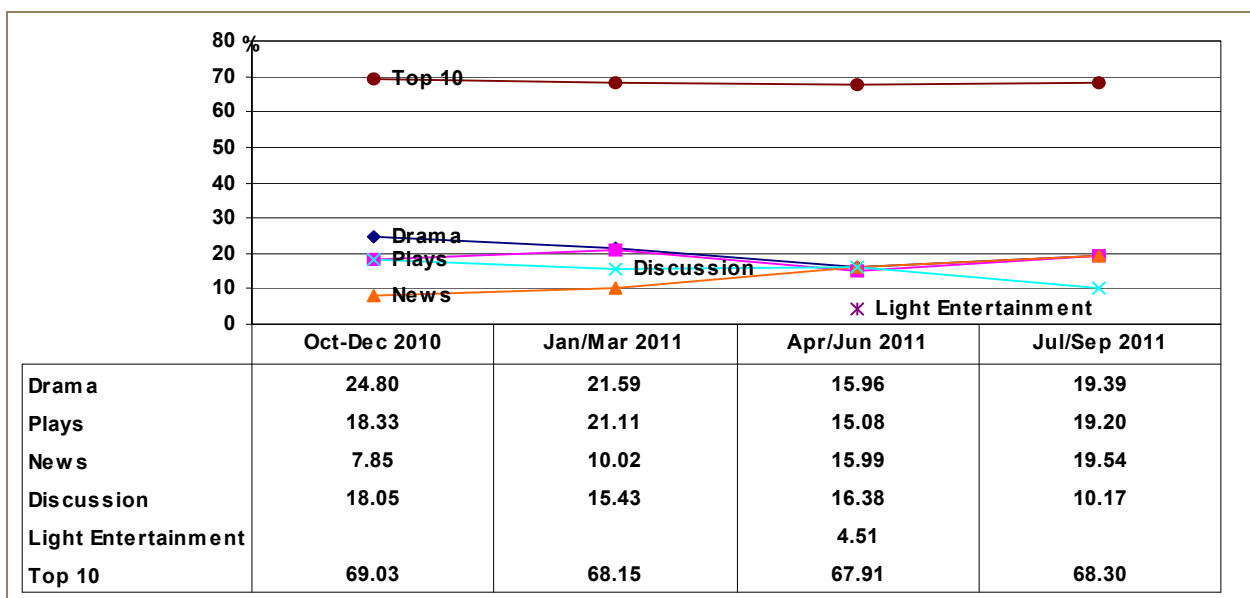


FIGURE 15: PROGRAMME GENRE PREFERENCES BY QUARTER BASED ON TOP TEN MOST QUOTED PROGRAMMES

	Total	Male	Female	12-14	15-24	25-29	30-49	50-64	65-79	80+	South Harbour	North Harbour	South East	Western	Northern	Gozo & Comino
Oct-Dec 2010																
Drama	140,821	46,001	94,821	9,768	25,333	6,740	41,644	39,594	14,905	2,837	36,198	38,266	19,902	17,533	17,962	10,962
Plays	104,066	40,158	63,908	18,378	22,395	5,082	29,383	18,619	8,106	2,104	21,846	32,146	12,484	14,090	15,872	7,628
News	44,545	24,721	19,824	884	3,888	1,911	16,481	12,765	7,443	1,173	4,677	17,031	5,220	6,423	7,942	3,254
Discussion	102,459	59,383	43,075	1,626	15,898	6,601	43,743	24,056	9,618	918	18,336	30,409	14,417	18,806	14,273	6,219
Top Ten [n]	391,891	170,263	221,628	30,656	67,514	20,334	131,251	95,034	40,072	7,032	81,057	117,852	52,023	56,852	56,049	28,063
All Responses	567,735	253,270	314,465	36,052	88,997	30,918	179,289	148,391	70,908	13,181	115,628	167,700	82,572	80,289	83,233	38,313
Drama	24.80	18.16	30.15	27.09	28.47	21.80	23.23	26.68	21.02	21.52	31.31	22.82	24.10	21.84	21.58	28.61
Plays	18.33	15.86	20.32	50.98	25.16	16.44	16.39	12.55	11.43	15.96	18.89	19.17	15.12	17.55	19.07	19.91
News	7.85	9.76	6.30	2.45	4.37	6.18	9.19	8.60	10.50	8.90	4.04	10.16	6.32	8.00	9.54	8.49
Discussion	18.05	23.45	13.70	4.51	17.86	21.35	24.40	16.21	13.56	6.96	15.86	18.13	17.46	23.42	17.15	16.23
Top Ten [%]	69.03	67.23	70.48	85.03	75.86	65.77	73.21	64.04	56.51	53.35	70.10	70.28	63.00	70.81	67.34	73.25
Jan/Mar 2011																
Drama	131,742	42,715	89,027	9,728	21,628	5,704	40,312	32,661	20,103	1,606	27,629	36,009	22,946	16,721	18,147	10,288
Plays	128,797	47,727	81,070	21,642	25,458	6,051	41,901	22,623	10,806	316	26,971	34,654	20,302	17,628	18,717	10,524
News	61,112	38,338	22,774	764	4,035	2,185	21,601	18,330	12,061	2,136	8,394	21,152	8,098	9,980	8,221	5,267
Discussion	94,148	45,326	48,823	3,854	17,033	4,353	36,417	21,510	9,554	1,429	17,130	29,986	14,414	13,358	13,540	5,721
Top Ten [n]	415,799	174,106	241,694	35,988	68,154	18,293	140,231	95,124	52,524	5,487	80,124	121,801	65,760	57,687	58,625	31,800
All Replies	610,098	260,142	349,956	43,279	88,345	23,989	197,122	154,251	93,810	9,303	123,488	181,208	94,774	83,912	83,001	43,715
Drama	21.59	16.42	25.44	22.48	24.48	23.78	20.45	21.17	21.43	17.26	22.37	19.87	24.21	19.93	21.86	23.53
Plays	21.11	18.35	23.17	50.01	28.82	25.22	21.26	14.67	11.52	3.40	21.84	19.12	21.42	21.01	22.55	24.07
News	10.02	14.74	6.51	1.77	4.57	9.11	10.96	11.88	12.86	22.96	6.80	11.67	8.54	11.89	9.90	12.05
Discussion	15.43	17.42	13.95	8.90	19.28	18.15	18.47	13.94	10.18	15.36	13.87	16.55	15.21	15.92	16.31	13.09
Top Ten [%]	68.15	66.93	69.06	83.15	77.15	76.25	71.14	61.67	55.99	58.98	64.88	67.22	69.39	68.75	70.63	72.74
Apr/Jun 2011																
Drama	86,962	25,514	61,450	7,298	14,963	4,951	23,880	22,494	11,690	1,687	19,071	23,003	12,969	13,483	11,253	7,183
Plays	82,165	26,993	55,172	7,253	12,131	4,445	25,803	22,664	8,496	1,374	18,761	23,020	9,252	10,778	12,304	8,049
News	87,120	53,347	33,773	1,488	6,151	3,704	26,702	26,517	14,953	7,607	17,594	26,386	11,189	11,892	12,107	7,950
Discussion	89,216	39,579	49,637	4,822	14,999	5,962	31,903	18,098	11,699	1,732	18,806	27,111	12,787	12,733	10,554	7,224
Light Ent.	24,553	8,607	15,947	3,387	7,462	1,442	8,777	2,843	642	0	5,228	6,374	4,217	3,564	3,578	1,594
Top Ten [n]	370,016	154,040	215,979	24,248	55,706	20,504	117,065	92,616	47,480	12,400	79,460	105,894	50,414	52,450	49,796	32,000
All Replies	544,824	225,964	318,860	36,200	79,471	29,119	165,526	143,733	72,884	17,892	118,152	155,975	81,883	78,240	69,446	41,128
Drama	15.96	11.29	19.27	20.16	18.83	17.00	14.43	15.65	16.04	9.43	16.14	14.75	15.84	17.23	16.20	17.46
Plays	15.08	11.95	17.30	20.04	15.26	15.26	15.59	15.77	11.66	7.68	15.88	14.76	11.30	13.78	17.72	19.57
News	15.99	23.61	10.59	4.11	7.74	12.72	16.13	18.45	20.52	42.52	14.89	16.92	13.66	15.20	17.43	19.33
Discussion	16.38	17.52	15.57	13.32	18.87	20.47	19.27	12.59	16.05	9.68	15.92	17.38	15.62	16.27	15.20	17.56
Light Ent.	4.51	3.81	5.00	9.36	9.39	4.95	5.30	1.98	0.88	0.00	4.42	4.09	5.15	4.56	5.15	3.88
Top Ten [%]	67.91	68.17	67.73	66.98	70.10	70.41	70.72	64.44	65.15	69.31	67.25	67.89	61.57	67.04	71.71	77.81
Jul/Sep 2011																
Drama	93,892	30,270	63,621	5,438	12,384	8,019	26,630	26,078	13,917	1,429	22,334	26,210	14,319	12,799	12,656	5,576
Plays	92,977	33,071	59,907	9,064	17,862	4,641	30,394	19,487	9,423	2,108	20,266	26,253	14,131	11,201	14,536	6,590
News	94,659	56,630	38,028	1,437	5,344	2,673	30,040	36,273	13,130	5,761	17,124	24,904	14,680	13,296	16,868	7,784
Discussion	49,267	25,501	23,766	3,049	5,233	3,441	21,660	11,622	3,297	966	9,640	13,933	5,357	7,098	9,687	3,552
Top Ten [n]	330,795	145,472	185,322	18,988	40,823	18,774	108,724	93,460	39,767	10,264	69,364	91,300	48,487	44,394	53,747	23,502
All Replies	484,318	212,825	271,493	26,768	61,110	27,783	161,025	135,046	58,249	14,336	106,248	134,181	70,472	64,457	75,756	33,204
Drama	19.39	14.22	23.43	20.32	20.27	28.86	16.54	19.31	23.89	9.97	21.02	19.53	20.32	19.86	16.71	16.79
Plays	19.20	15.54	22.07	33.86	29.23	16.70	18.88	14.43	16.18	14.70	19.07	19.57	20.05	17.38	19.19	19.85
News	19.54	26.61	14.01	5.37	8.74	9.62	18.66	26.86	22.54	40.19	16.12	18.56	20.83	20.63	22.27	23.44
Discussion	10.17	11.98	8.75	11.39	8.56	12.39	13.45	8.61	5.66	6.74	9.07	10.38	7.60	11.01	12.79	10.70
Top Ten [%]	68.30	68.35	68.26	70.94	66.80	67.57	67.52	69.21	68.27	71.60	65.29	68.04	68.80	68.87	70.95	70.78

FIGURE 16: TOP TEN PROGRAMME PREFERENCES BY DEMOGRAPHICS

In general, news and discussion programmes were the most preferred programmes by males while drama and plays were the most preferred by females. Children [12-14 year olds] had on average the highest percentage of programme preferences with the exception of April-June which is normally associated with exam periods, while the percentage for children's preferences were slightly exceeded during July-September by those over 80 years old during the summer months.

Analysed by broadcasting station, programmes broadcast on TVM were the most quoted programmes with an average of 60.61%, followed by those broadcast on ONE with an average of 22.54%; and those on Net TV with an average of 15.27% – see Figure 17 below.

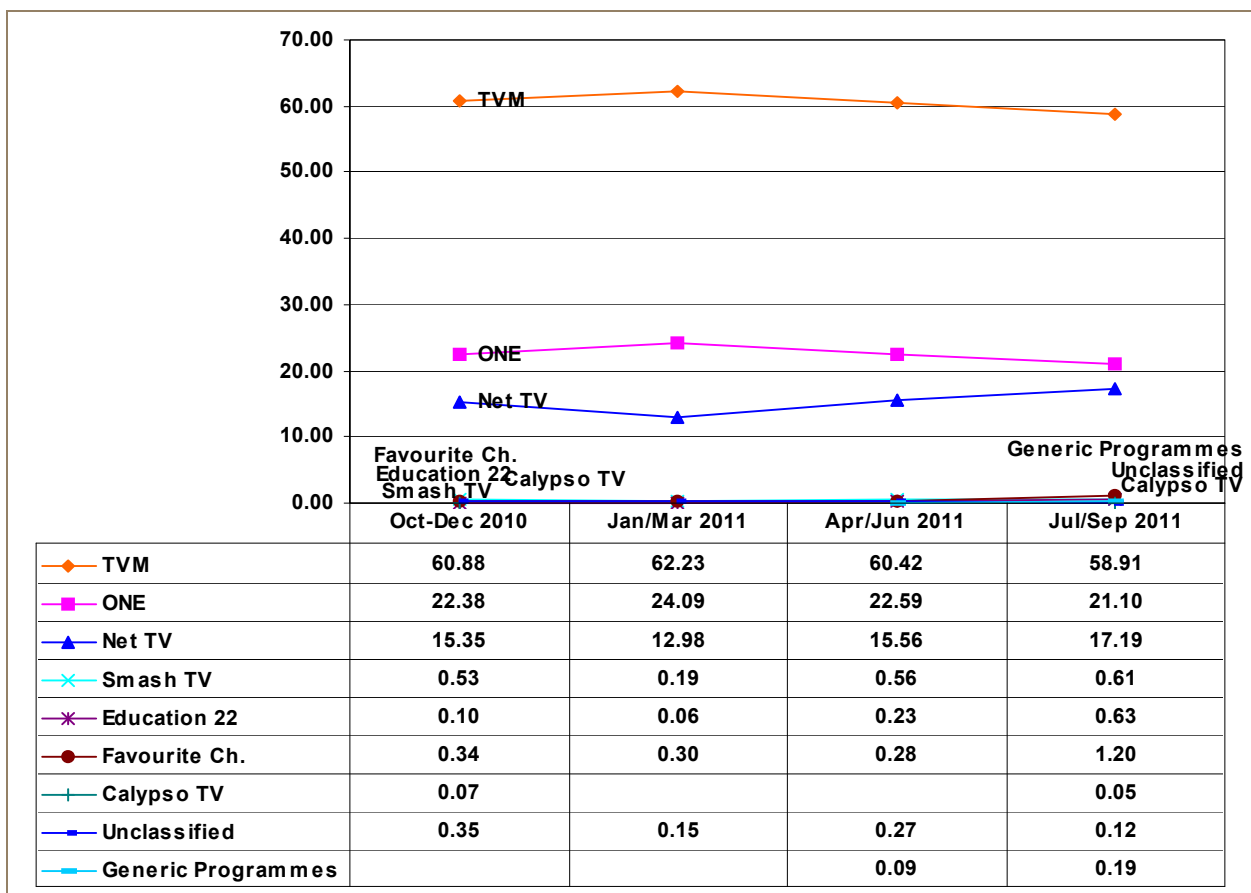


FIGURE 17: PROGRAMME PREFERENCES BY BROADCASTING STATION

All these programmes are prime-time broadcasts after the main news bulletins of 20:30; while the following programmes even ranked within the top ten during the summer months when a great percentage of the schedule consisted of programme re-runs: *Xarabank*, *F'Salib it-Toroq*; *Deċeduti*; *KC*; *Rubini*; *Emilja*; and *Simpatiči*. The number of re-runs and repeats during day-time hours in the summer schedules was quite noticeable, considering that on average broadcasting stations broadcast an average of 6 ½ hrs of same-day programmes during the night. In fact, during the summer months Education 22 and Calypso TV had on average 85.42% of 24/7 broadcast time dedicated to same-day repeats during night hours, re-runs of whole programme series, and telesshopping. These stations were followed by ONE [71.13%]; Net TV [62.35%]; Smash TV [60.87%]; Favourite Channel [58.48%]; and TVM [58.39%] respectively – see Figure 18 below.

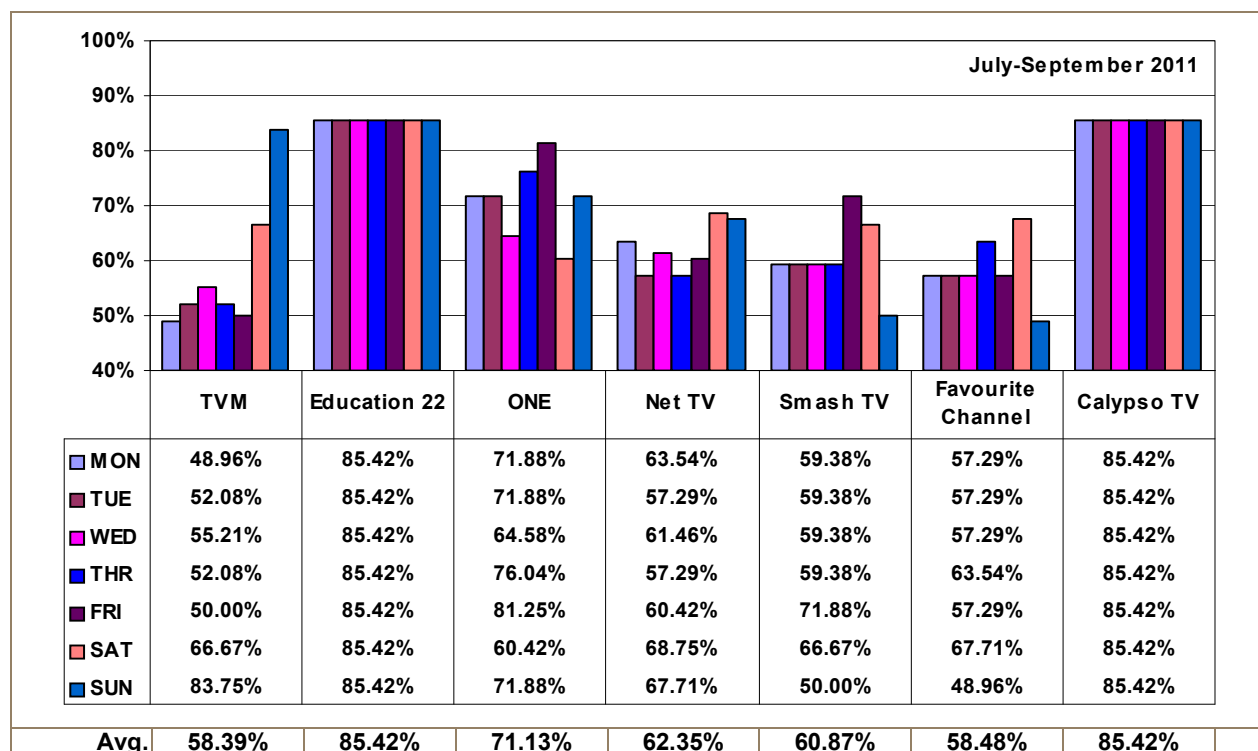


FIGURE 18: AVERAGE PROGRAMME REPEATS BY WEEKDAY FOR JULY-SEPTEMBER 2011

7.6 Children and Young Adults

“The debate about children and media violence is really a debate about other things, many of which have very little to do with the media ...; it invokes deep-seated moral and political conviction, and it is rooted in people’s unsettling experiences of social change ...; *is* about the decline of the family and of organised religion, about the changing nature of literacy and contemporary culture ...”.⁶

When trying to understand the level of violence in society, especially violent actions committed by teens and young adults, various factors have to be taken into consideration such as the accessibility of weapons, family status, as well as peer pressures and emotional factors. “Television and other media are just possible factors”.⁷

It is not a question of simply increasing censorship. To construct a meaningful alternative, it is required to start with parents and children: their ability to make their own decisions about what is appropriate has to be respected and supported. A positive *educational* strategy is more apt than a negative strategy based on censorship.⁸

In the quarterly report published by the Broadcasting Authority, the consumption of television by 12-14 years olds is monitored; however, 15-17 year olds are grouped with the next age group of 15-24 year olds.

⁶ David Buckingham, 1997; *Electronic child abuse? Rethinking the media’s effects on children*; pg 38 in “*Ill Effects – the media/violence debate*” [Ed.] Martin Barker and Julian Petley; Routledge, London

⁷ Nancy Segnorielli, 2005; *Violence in the Media*; pg.22; ABC-CLIO, California

⁸ *ibid*; pg 37

For this report, this latter group was divided into three sub-groups: 15-17 year olds; 18-20 year olds; and 21-24 year olds. This makes it possible to analyse the consumption of two groups of children and two groups of young adults.

In all cases, those under 24 years old watch more foreign stations than local stations – the highest percentage being reached by those young adults of 21-24 years old for the summer period [74.03%] being followed by 12-14 year olds [73.54%] during the same period. Of the 12-14 year old, the highest period in which TV-viewing was followed was in January-March; for 15-17 years old and 18-20 years old the highest number was during April-June; while the highest of 21-24 year old was July-September – see Figure 19 below.

The number of local stations viewed by these age groups tended to increase during the summer months with 12-14 year olds viewing five local stations during July-September. However, the number of foreign stations ranged from 11 stations for this same group to 20 different stations for the 21-24 year olds during April-June.

The most followed station of 12-14 year olds was TVM, attaining its highest audiences for this group at prime time after the main news bulletin, while the Disney Channel was the second most followed channel for this group followed by Discovery Channel and Italia 1.

For 15-17 year olds, again TVM was the most watched channel for the first three quarters of the broadcasting season while ONE was the most followed station during the summer months. The most popular foreign station with this group was Italia 1 from October-December 2010 to April-June 2011 while their attention for the summer months turned to the Disney Channel. Discovery Channel ranked third followed by MTV and the Food Network.

For young adults aged 18-20 years old, again TVM was the most viewed station during the same period from October to June while ONE was the most followed station during the summer months, the second most followed in October-December and the third most followed in January-March 2011. Of the foreign stations, Italia 1 ranked first, second for two broadcasting seasons from January to June while the Discovery Channel ranked second during the summer months and third during October-December 2010 and April-June 2011.

Similarly, TV-viewing of 21-24 years olds was highest for TVM for the first three quarters of the broadcasting season with Discovery Channel ranking first and Italia 1 ranking second during the summer months. ONE ranked the second most viewed station for this group during April-June 2011 while Italia 1 ranked second from October 2010 to March 2011. Canale 5 was the third most followed station for this group for the same months. ONE was the third most followed station for this group during the summer months from July to September 2011.

For all the age groups prime time viewing is at normal prime time with TV-viewing starting as early as 7:00 am, sometimes even with dead-hours viewing during the night which included also 15-17 year olds. The viewing of local programmes for children 12-14 years olds was highest during January-March 2011, followed by that during the period October-December 2010 while the lowest was that during the summer months of July-September where, however, the spread of TV-viewing was more regular for all the time brackets – see Figure 20 below. The same can be said for 15-17 year olds; however, the average of this group during the summer months was lower than those children aged 12-14 years old.

With regard to young adults, the same can be said with prime-time viewing; however, the high peaks of the 12-14 years olds were never exceeded. TV viewing during the summer months were lower for young adults aged 18-24 than those of children from 12 years to 17 years with the exception of 21-24 year olds whose highest peaks during the summer months were at 8:00 pm while audiences, especially for local stations dropped dramatically by 10:00 pm. The lowest audiences were those of 18-20 year olds during the summer months where the maximum was 2,000 viewers – see Figure 21 below.

As a concluding remark, of concern is TV viewing after the watershed by children, especially those aged 12-14 years old and the range of the time of TV viewing starting as early as 7:00 am until midnight. In general, TV viewing of local stations exceeded foreign stations during prime time while TV viewing of foreign stations exceeded local stations during other times of the day and afternoon.

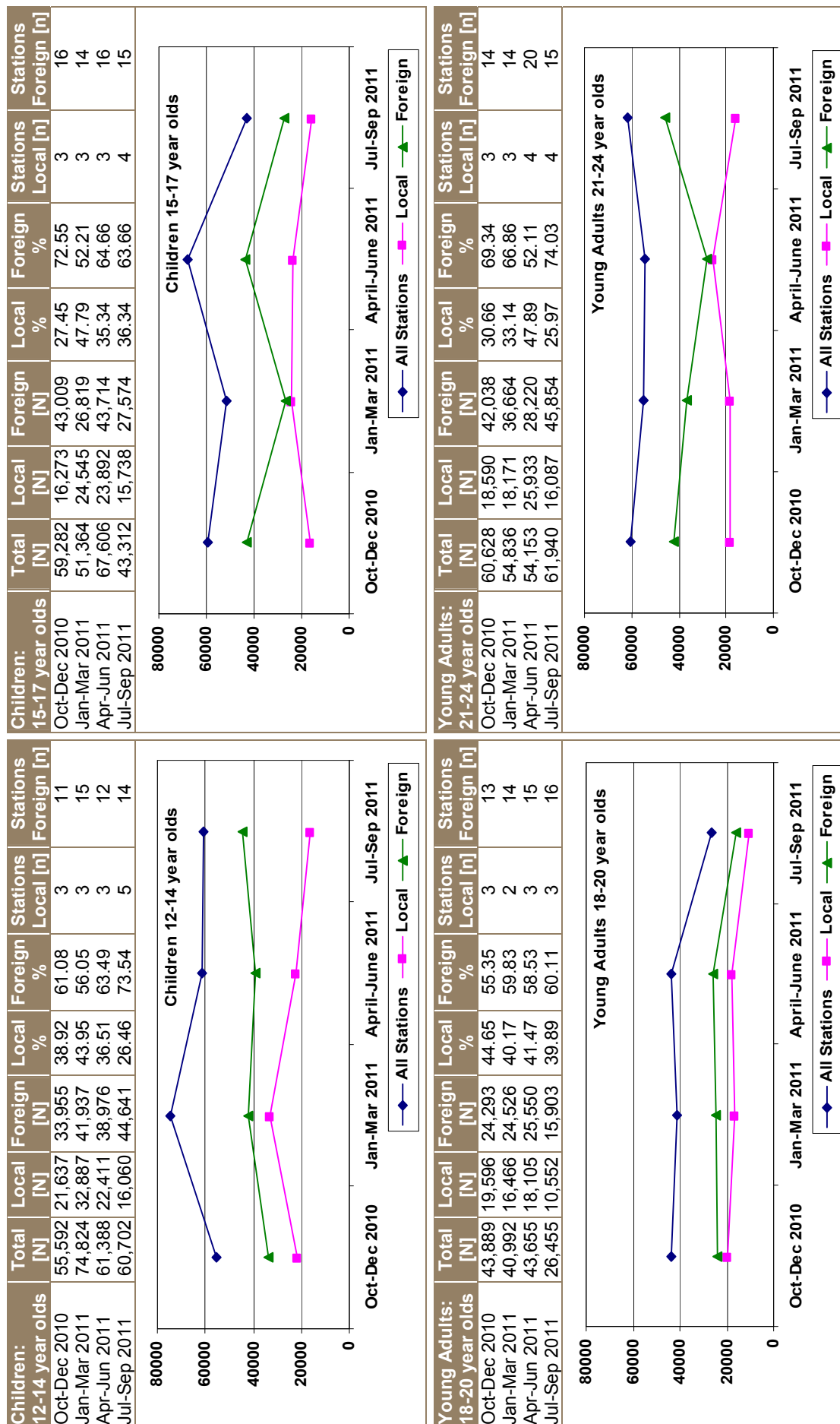


Figure 19: Children and Young Adults: TV- viewing by Quarter and by Age groups

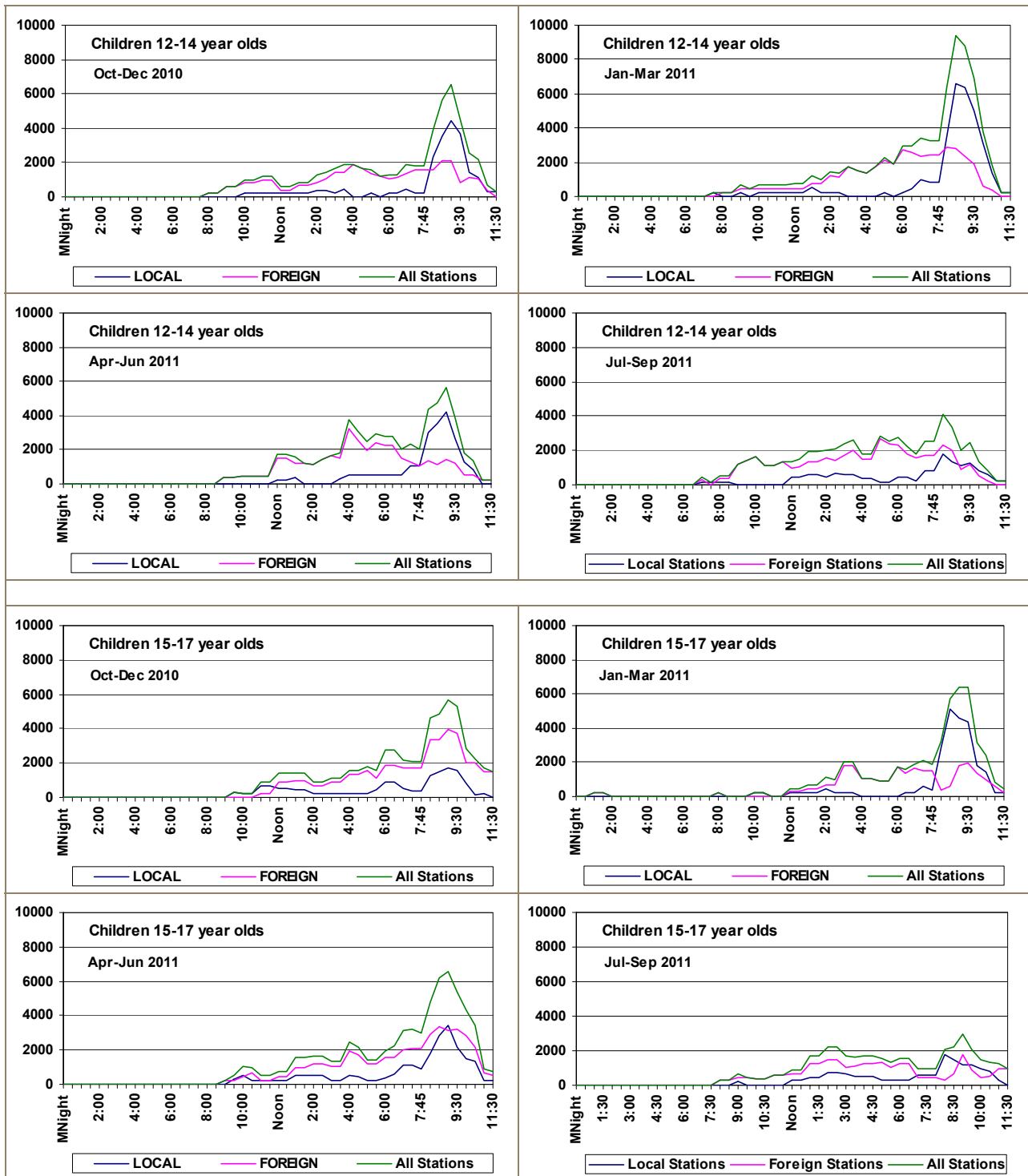


Figure 20: Children 12-14 and 15-17: Audiences by Time Bracket

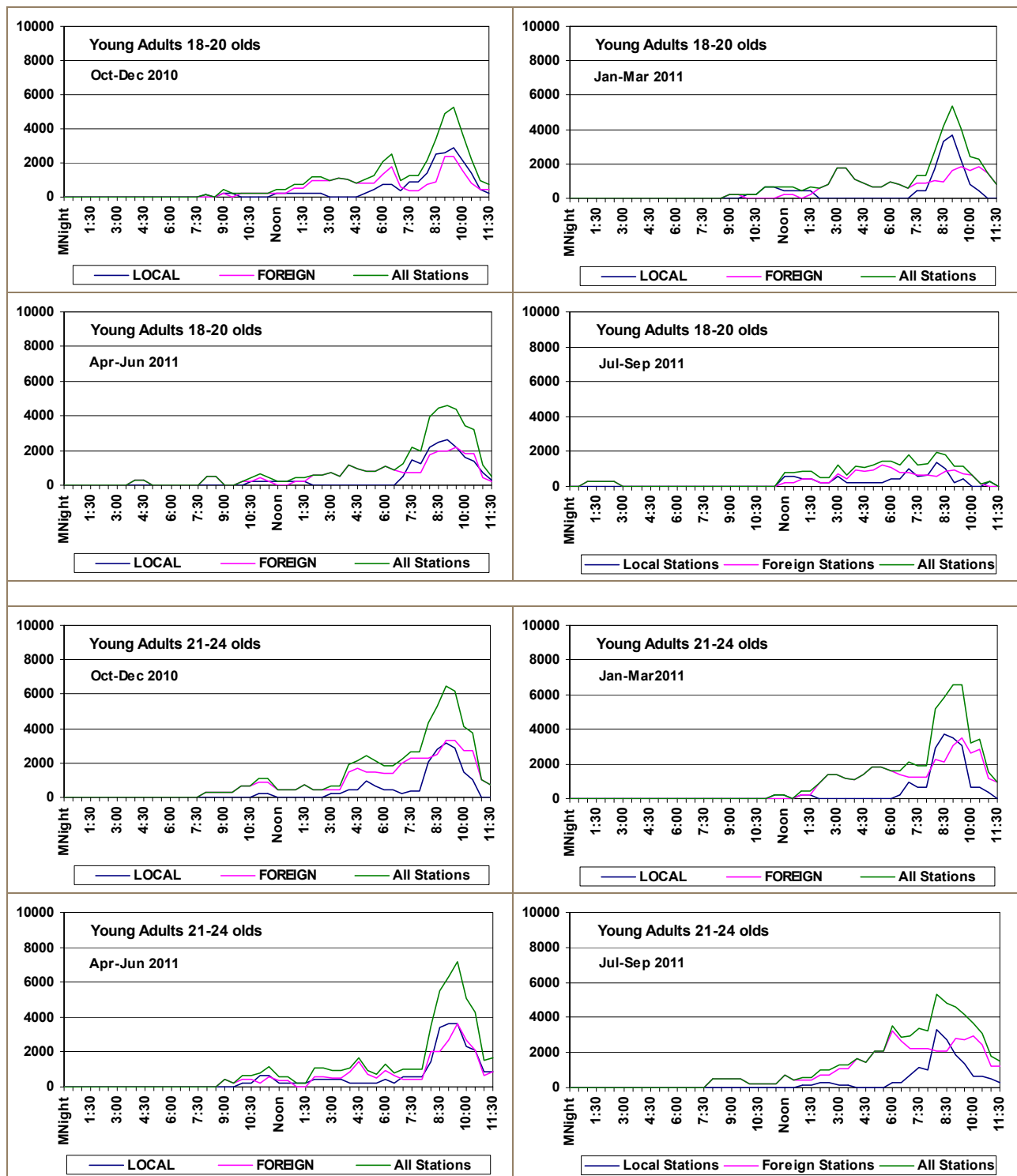


Figure 21: Young Adults 18-20 and 21-24: Audiences by Time Bracket

8. 50TH ANNIVERSARY CELEBRATIONS

The year in review was indeed special as it marked the 50th anniversary since the the Authority was set up in 1961. To mark this important milestone in its history, the Authority organised a number of activities during the year.

8.1 Visit by The President of the Republic

H.E the President of the Republic Dr George Abela was officially invited to the Authority to unveil a commemorative plaque marking the 50th anniversary of the Authority. On Thursday 29th September, His Excellency visited the offices and met all the employees before unveiling the plaque on the ground floor. This was then blessed by Archbishop Emeritus Giuzeppi Mercieca.

Following the unveiling of the commemorative plaque, the President delivered a speech to employees in which he stressed the need for the Authority's composition to be reviewed to bring it in line with modern day challenges.

8.2 Special Supplement with the Times

The Authority reached an agreement with Allied Newspapers Ltd for the publication of a special 12-page supplement focusing exclusively on the work undertaken by the Authority over the past fifty years, including a historical overview of the evolvement of this constitutional entity charged with regulating broadcasting in Malta.

The supplement also included an interview with the Chairman and the Chief Executive and members of the management team as well as comments from the majority of employees indicating why the occasion was personally significant to them. The supplement was distributed with the Times of Thursday 29th September.

8.3 Anniversary Logo

As part of its branding strategy to commemorate this golden anniversary, the Authority commissioned a special logo which was used in conjunction with activities marking this celebration. Designed specifically to highlight the golden anniversary, it was no surprise that the number 50 and a touch of bronze colour was used for this logo.

8.4 Commemorative Stamp

Following an agreement reached with Maltapost, the Authority secured the issuing of a personalised cover with a special stamp to commemorate its 50th anniversary. This venture was further complemented by the use of personalised stamps used for local postage.

8.5 Gala Reception

The Authority paid tribute to all past and present employees by organising a gala reception which was held on 27th October at the Grand Hotel Excelsior. The event served to bring together colleagues and friends together with the key stakeholders, including representatives of all broadcasting stations operating in Malta.

8.6 Visit to Gharghur Transmitting Tower

All members of staff were encouraged to submit proposals for special events which could be organised as part of the calendar of celebrations commemorating this important date. One such event was a visit to the Gharghur Transmitting Tower which is the hub of all technical activity, in particular that relating to nationwide digital and analogue broadcasting.

The majority of employees had never visited this site which is tucked away in a dead-end road in the quaint village of Gharghur. The Authority's technical consultant, Joe Francalanza, doubled up as a location guide, meticulously explaining the nature and importance of the transmitting tower standing majestically in the centre of the complex. The visit was held on 7th April 2011.

9. BROADCASTING IN MALTA – SAFEGUARDING THE PUBLIC INTEREST

This year marks the 50th anniversary of the Broadcasting Authority that came into existence on 29th September 1961 when the Broadcasting Ordinance, Ordinance XX of 1961, was brought into force under Admiral Sir Guy Grantham. The *Malta Broadcasting Authority*, as it was originally known, replaced the Government Broadcasting Board, and in 1964, the Authority was upgraded to a Constitutional authority and renamed Broadcasting Authority.

It was the run-up to Independence. Radio services had been in service since 1935 with the set-up of the company *Broadcast Relay (Service) Malta Ltd.*, which in 1955 changed its name to *Rediffusion Malta Ltd.* As from 28th September, 1961 this company also had the obligation to develop all forms of broadcasting including visual. In fact, a year after the set-up of the *Malta Broadcasting Authority*, television broadcasts started.

From the outset the primary regulatory function of the Broadcasting Authority was that of ensuring impartiality and balance in sound and television broadcasts, and with independence in 1964, the Authority was given sovereignty through Articles 118 and 119 of the Constitution of Malta.

In September 1990 a *White Paper* was published setting out proposals for a new framework enabling the expansion of radio and television services in Malta based on the concept of pluralism. A draft broadcasting bill was presented to Parliament on 8th March 1991 and, after 22 parliamentary sessions, the new bill was enacted and brought into effect on 1st June 1991. And thus, the Broadcasting Ordinance of 1961, which had regulated the broadcasting sector for the previous 30 years, was repealed by the Broadcasting Act 1991 which introduced pluralism in broadcasting.

The early years – 1961-1971

The Broadcasting Authority was set up during a period when an interim constitution was operative and provided for an Executive Council under the British Rule. It was a time of struggle for Malta's independence, a time when every effort was also being made by the rulers to safeguard British foreign investment on these islands, and amid a political-religious struggle between the Church and the MLP in 1961.

From the start, the Broadcasting Authority's role was that of the country's broadcasting regulator. As from 29th September 1961, all sound and television broadcasting services in Malta (except those broadcast by the armed forces hosted in Malta) became the exclusive responsibility of the Authority. These services were to be exclusively supplied by contractors appointed by the Authority. *Rediffusion (Malta) Ltd.*, formerly *Broadcast Relay Service (Malta) Limited*, was locally set up in 1935 with the aim of countering Fascist propaganda from Italy. *Rediffusion (Malta) Ltd.* had operated wired sound broadcasting in Malta since 1935 under successive licences from the Governor. This service had progressively grown to the daily average broadcast of thirty-four hours of programming on two channels. Not only was Rediffusion

(Malta) Ltd. granted the licence to develop all forms of broadcasting on 28th September 1961 but it was also granted an extension for 25 years of its licence for cable radio broadcasts when the previous licence was due to expire four years later.

Before this date, *Rediffusion* broadcast mainly programmes of an entertainment and general interest nature. The Department of Information was responsible for Schools Broadcasting and informative programmes on this service while the Government Broadcasting Board, a separate body, was responsible for a regular series of unscripted discussions and for Party Political Broadcasts.

The provisions of the Ordinance of 1961 laid down much stricter standards with regard to content and quality. Although this Ordinance was modelled and compared to the UK's Independent Television Act of 1954 for the setting up of the Independent Television Authority in UK, the Ordinance introduced the concept of news and current affairs programmes in Malta. Although the main functions of the Authority were that of a supervisory and regulatory body charged with safeguarding general broadcasting standards in the public interest, unlike its counterpart in the UK, these services were to be provided by its contractors without prejudice to the right of the Authority to provide the services itself. In fact, the Ordinance also stipulated that the Authority was to spend each year the sum of £10,000 and £25,000 respectively on Wired Sound and Television broadcasting – unlike the Independent Television Act of UK.

The first meeting was held at The Palace, Valletta on Monday 2nd October 1961 under the Chairmanship of Lt. Col. G. C. Micallef-Eynaud. The Authority's offices were at 12, Old Treasury Street, Valletta, and the first staff was seconded from Government to the Broadcasting Authority. This included the Secretary to the Authority, Mr. Bellizzi, and his assistant, Mr. Ellul, together with a shorthand-typist (Ms Bugeja) and a messenger (Mr. Caruana).⁹ The premises in Valletta were rented at £345 per annum and the lease ran for three years certain and a further three years at the Authority's option.



Former Offices of the Broadcasting Authority in 1961 at 12 , Old Treasury Street, Valletta.

Today the entrance to these offices has been converted to a boutique.

This was confirmed by Mr. William Borg of Cost. Bros, son of previous co-owners and brothers Messrs. John and Anthony Borg.

With immediate effect, the Authority took control of the Schools Broadcasting in collaboration with the Department of Education, and of Party Political and General Election broadcasts. Rediffusion was required to undertake a comprehensive local news service starting with a daily (five days a week) thirty minutes programme of news and views on current events supplemented by a weekly discussion programme in line with the programmes initiated by the previous Government Broadcasting Board. This ran into numerous difficulties as reported in the Authority's First Annual Report – *“A difficult political situation plus unfamiliarity with an independent impartial service of considerable difficulty and often*

⁹ Minutes of the First Meeting of the Broadcasting Authority; 2nd October 1961

controversy particularly in the matter of selection” of subject matter for discussion and news items reported.

The Authority also reported in its First Annual Report that certain sections of opinion holders of the population just *“refused to take part in views concerning the political and constitutional situation of the country”*. On the other hand, they were then *“very quick in alleging bias of those who participated in such programmes”*. While some of the opinion holders were *“reportedly shy of self-expression”* on this new service, on the other hand other opinion makers were *“very suspicious of free comment and of the views of those who differ from them politically”*. There was *“an ingrained reluctance in Malta, not restricted to any particular section of society, to discussing matters of disagreement on the air. Too often the subjects discussed seemed to be of minor importance in comparison with the real issues at the moment”*.

SCHOOLS BROADCASTING AND EDUCATIONAL PROGRAMMES

Educational Programmes organised by the Broadcasting Authority on Television
Aħseb Mitt Darba – MTV – 14th February 1968; 7:30pm



Team A – St. Michael’s Training College
 C. Vella Haber; P. Briguglio; A. Muscat; A. Storace



Team B – University/Junior College
 C. Caruana; M. Borda; T. Borg Barthet;
 Ph. Sciberras

On the other hand, the same could not be said with regard to religious programmes broadcast on *Rediffusion* and which were considered highly important by local listeners. In spite of great effort put into the production of religious services from different parts of the islands, nothing could convince those taking part in broadcast religious services and ceremonies that the nature of the medium required greater thought and discipline in their representation. *“The basic fact that a broadcast ceremony is not the same as a ceremony which was not broadcast”* was difficult to conceive by those taking active part in such productions.

Religious broadcasts were already being aired by *Rediffusion* before the inception of the Broadcasting Authority, and the first step taken in 1961 by the Malta Broadcasting Authority was to invite the Catholic Religious Advisor of the BBC, Fr. Agnellus Andrew O.F.M., to visit Malta and report his impressions on the local broadcasting scenario of such programmes. He reported that *“the occasional outside broadcast of rallies or functions ... are much too long, too diffuse, and too unorganised for good broadcasting ... with the speakers, particularly if they are lay and inexperienced, carried away by the emotion of the moment ... and involve the broadcaster, who has editorial responsibility, in grave difficulties.”*

This was the broadcasting scenario of such religious programmes – *“it was unsuitable for broadcasting, merely being a skimming of the sound off the top of a ceremony not designed for sound, and requiring physical presence in the building for full understanding. The panegyrics were quite the wrong style for broadcasting, the music was exceedingly florid, and the work of the orchestra and singers not of high quality. But the chief impression was that the whole thing had essentially no real religious effect at all”*.

The same, however, cannot be said with regard to School Broadcasting on *Rediffusion*. This had previously been organised by the School Broadcasting Unit within the Department of Education. Although the Authority could pass over the responsibility for the production of such programmes to its contractor, the Authority assumed full responsibility and financing of all School Broadcasts which were designed primarily for Government Schools. The Department of Education still supported them when the Broadcasting Authority took over. The Authority immediately set up its Schools Broadcasting Advisory Committee with the Director of Education, Chev. J. P. Vassallo O.B.E., acting as chairperson while the other members of this advisory committee acted themselves in a number of vetting panels – one for each subject taught in schools – to scrutinise each script before it was broadcast. Such members included not only headmasters, teachers and inspectors from the Department of Education but also members of the Committee of the Malta Union of Teachers, of the Private Schools Association, and representatives of His Grace the Archbishop.

For the scholastic year 1962/63 the school broadcasting programme consisted of 221 scheduled broadcasts made up of 39 Friday-morning broadcasts, 25 programmes for stages and Class I; 49 programmes for Classes II–III; 61 programmes for Classes IV–V; and 47 programmes for Classes VI and school leavers. The School Broadcasting publication “The Young Listener” was *“rendered more attractive ... stitched, trimmed and printed on better quality paper ... and every effort was being made to furnish listeners with the visual material required as background and complementary to the broadcasts”*. An average of 23,000 copies of the magazine was sold per month and this represented 81% of the buying potential of the schools.

The early years – 1961-1971 [Television]

The day before the Ordinance setting up the *Malta Broadcasting Authority* was signed by the Governor, *Rediffusion (Malta) Ltd.* was given exclusive broadcasting rights for twenty-five years for cable radio, while, at the same time, a subsidiary was also set up, *Malta Television Service Ltd.*, for the development and operation within fifteen months of a television service having broadcasting rights for the next twenty-five years. *Malta Television Service Ltd.* was also given the task of setting-up and operation within five years, with broadcasting rights for the following ten years, of wireless sound broadcasting.

Television started in 1962 with an average of 4½ hours of daily broadcasts; out of which 24.4%, or 7.11 hrs per week, were local productions while the rest were direct imported recorded programmes. The Authority’s contribution to television broadcasts concentrated on Party Political Broadcasts and Ministerial Broadcasts; and on two programmes “Ritratt” and “Youth Want to Know”. Although no data was found

recording the actual number of viewers, the Authority reported at the end of March 1963 that this new service was listened to extensively in Malta and Gozo and the total number of TV licences issued increased drastically and was in excess of 19,000. By the end of 1964, there were 24,490 combined radio and television licences, 39,943 Rediffusion receivers and 8,488 radio licences while the number of wireless sets in use was estimated to be in the region of 24,000 radio sets - Government revenue from wireless licence fees rose from £21,847 for 1960/61 to £98,000 for 1964-65.



The Authority: March 1965

From Left to Right: Mr. G. Muscat Azzopardi; Dr. V. A. Mercieca LL.D.; Mr. J. A. Manduca (Chief Executive); Judge A. Montanaro-Gauci C.B.E., K.M., LL.D. (Chairman); Mr. A. J. Ellul (Secretary); Rev. Fr. P. Serracino Inglott B.A., B.D., M.A. (Oxon); Mr. J. Vella.

Following the election of 1962, the Legislative Assembly was composed of five political parties and the total available broadcasting time was distributed according to each party's strength in the Assembly. Party Political Broadcasts recommenced on radio, while prolonged negotiations with the political parties preceded the new broadcasting scheme on television. The total broadcasting time for such broadcasts was shared between the two platforms of radio and television in the ratio of 5:2 respectively. Since the Malta Television Service was not as yet equipped with recording facilities, such broadcasts were first scripted and then read live. The Authority, on the other hand, emphasised that all TV broadcasts were to be rehearsed beforehand for timing purposes and that speakers were not to depart from the original script.

From a technical point of view, although sound broadcasting had been in operation since 1935, it is amply clear that local knowledge was lacking, quite often requiring co-operation from foreign broadcasters at a

high cost. During the independence celebrations, there was close co-operation with the outside broadcast unit of RAI which made the broadcast of three major events of these celebrations possible: the handing over of the instrument of Independence; the State Opening of Parliament by H.R.H. the Duke of Edinburgh; and the schoolchildren's rally in the Independence Arena. The same arrangements were made for the Queen's visit in November 1967 where extensive live coverage was given to many of the events of the Royal Visit.

The first Maltese drama written for television, was first screened on 22nd March 1964 and this was *"an intricate and costly business and the amount of hard work and rehearsing which goes into even the simplest play is much greater than is generally realised"* (B.A. Third Annual Report covering the year ended 31st March 1964). This was only possible after an *"experienced BBC producer was brought over by MTV ... for a three months' instructional and training programme"* after the completion of the New Studios in 1963 and the transfer from Rediffusion House requiring the *"cessation of 'live' studio productions for a period of five weeks"*.

On the other hand, the first full-Maltese contingent working in broadcasting was that of the Engineering Department, including the Chief Engineer of Rediffusion. In 1964 the Department laid a total of 22,000 yards of Rediffusion cable.

The first regulations on Public Service Broadcasts were first agreed with Rediffusion (Malta) Ltd. and MTV in 1964 in which the broadcasting of SOS and Police Messages was governed, including that of a number of slogans and short films urging the public to *Keep the Beaches Clean*, to *Save Water*, and to observe *Traffic Regulations*. Public Notices issued by the Government were part of an agreed list of daily broadcasts by Rediffusion.

Although much seems to have been attained during the first few years of the Broadcasting Authority, *"the financial clauses in the Broadcasting Ordinance ... were ... meaningless, and the amount given to the Authority each year ... was ... quite inadequate. Several of the powers conferred on the Authority ... were ... negative in character ... while there were ... several other provision of the Ordinance which needed to be revised ... and which in their present form, and in view of the Authority, ... were ... either defective or not in keeping with the spirit of the Constitutional provisions on broadcasting"* – (B.A. 1965-66).

The Authority was not only critical of the use of media services available but also verbosely critical of certain Government decisions. The Broadcasting (Amendment) Act 1966 introduced by Government deprived the Authority of its exclusivity in providing sound and television broadcasting services as these were extended to the Government or to "any person, body or authority under licence from or under arrangements with the Government". This is still carried today as Government continues to license the public service broadcaster's radio and television stations and has only lately empowered the Authority to license digital radio (2007) and satellite broadcasts (2009).

Another article of this amendment to the Broadcasting Act also gave the power to Government to appoint a Chief Executive and to dictate the recruitment and conditions of employment of the Authority's staff. It was only in 1999 that the Authority appointed for the first time in its history its own Chief Executive Officer. Even the appointment of the Authority itself used to be made for short periods of six months, then one year, and more recently for three years even though the Constitution allows such appointment to be made for up to five years.

The Authority's finance, or lack of it, was problematic from the start. The Broadcasting Ordinance clearly stated that all licence fees paid by the public were to be channelled back into broadcasting – after the deduction by Government of £15,000 for the collection of these fees. But then, the Authority was also burdened by the contracts which it inherited on inception and had to spend a minimum of £35,000 on sound and television programming each year and to pay normal charge rates for programmes, broadcasting time and facilities to its own contractors. As reported in the Authority's Annual Report for 1965-66 "revenue accruing ... from licence fees and customs duty on radios and television sets continue to grow. Licence fees are increasing on average at the rate of £10,000 a year and the Authority estimated that revenue from this source will exceed £120,000 during 1966-67."

Year	Revenue from Wireless Licence Fees	Amount budgeted for by MBA	Amount available to MBA	% of Wireless Licence Fees
1959/60	£17,793	-	-	
1960/61	£21,847	-	-	
1961/62	£63,546	£19,200	£17,200	27.06
1962/63	£83,057	£50,355	£45,000	54.70
1963/64	£96,074	£65,075	£45,000	46.83
1964/65	£103,769	£66,000	£45,000	43.46
1965/66	£107,773	£67,000	£45,000	41.75
1966/67	£145,382	£68,000	£45,000	30.95
1967/68	£146,727	£68,382	£50,000	34.12
1968/69	£167,703	£70,807	£55,000	37.67
1969/70	(est) £175,000		£60,000	34.29

(Source: Broadcasting Authority Annual Report and Accounts, 1964-1970)

1971-1981

The Authority's main contention is that the sequence of the main events establishing Broadcasting Services in Malta in 1961 were erroneous, ... as the agreements which were to establish Malta's broadcasting services were negotiated and signed between the Colonial Administration and Rediffusion before the Authority came into being. (Broadcasting Authority Annual Report and Accounts 1971/72).

One of the agreements was for the setting up of a wireless service in Malta or Radju Malta as it become commonly known. This agreement included two fundamental sections: the first that the service had to start within a period of five years and not later than the 29th September 1966; and secondly, that the operator, Malta Television Service Ltd. had exclusive rights for a period of ten years on the date that it was signed (i.e. up till 29th September 1971), after which the contract was still binding for a further 15 years but with no exclusive rights.

However, in view of negotiations with Government on the future of this service, Malta Television Service Ltd. decided to ask for an extension of its commencement date with negotiations starting in November 1967. After six months, following a request from MTV and after consultation with the Government, it was agreed to extend the period during which the Company may start a wireless service to 28th March 1969. This was further extended to 28th March 1970, to 28th September 1970, and to 28th March 1971 during which latter period negotiations were suspended when Government acquired a radio station that was to be set up by a German broadcasting organisation – the Deutsche Welle – a diplomatic wireless station at Delimara being granted, at the same time, a licence to operate a relay service from Malta. Test transmissions were inaugurated on 23rd July 1971.

At the time it was felt that the Authority should move closer to its main contractor at Gwardamangia. Various other government properties were sought and on the appointment of Mr. Joseph Grima on 2nd November 1971 as Chief Executive of the Broadcasting Authority, a post which had been left vacant since November 1968, and the appointment of a new Board on 31st March 1972 under the chairmanship of Chev. J. P. Vassallo O.B.E., the Authority held its meetings at its new offices at National Road, Blata l-Bajda.

This was the start of a nationalization period with the first involving directly the Broadcasting Authority. In May 1972 when Malta changed over to a decimal currency and abandoned its old system of pounds, shillings and pence, 520 spots of advertisements on sound and 284 spots on television were broadcast by the Authority on national services. Several half-hour slots were also shown on television for adult education programmes in connection with the decimal currency switch-over.

During the impasse between the British and Maltese Governments, the BBC direct relays for news, current affairs and information re-broadcast on the English language network of Rediffusion gave rise to a number of problems, especially when current affairs programmes, which are open to comment, became a subject of inequitable comment by BBC producers. At the same time, news coverage became open to station comment as these became intertwined in the same news bulletin, thus misleading listeners when comments and facts were reported as one. *There have been instances when the Authority complained to its contractors about the news service, particularly in the reporting of certain political events* (B.A., 1972-73). Various meetings were held between the Authority and its contractors, always acting within the limitations imposed by the broadcasting agreements and the Broadcasting Ordinance. The Authority, however, was *unwilling to allow present problems to perpetrate themselves endlessly without attempting to find a solution.* (B.A, 1972-73).

The next major development in broadcasting was the setting up of *Radju Malta* by the Broadcasting Authority through the exercise of such powers given to it by Section VI of the Broadcasting Ordinance, enabling the Authority to set up its own broadcasting services. Radio Malta, in fact opened from temporary studios at Blata I-Bajda on 8th January 1973 with an average of four programme hours daily [10:00 am to noon and 4:00 pm to 6:00 pm and included two daily news bulletins; music; cultural programmes; a daily programme for women; a programme on Gozo; and weekend coverage of local and international sporting events]. It made use of the Deutsche Welle transmitter at Nigret. *It has been firmly established that transmissions from Radio Malta were well received in Tripoli, Tunis and the whole of Sicily* (B.A., 1973-73). Quadripartite Talks between Libya, Italy, Tunisia and Malta were held which resulted with Libya donating transmitting equipment in November 1973 while Italy accepted to provide an antenna for Radio Malta.



Offices of the Authority at National Road, Blata I-Bajda

Undated photo of Schools educational visits to the Authority and to *Radju Ta' Malta* with Mr Laurence Mizzi, Head of *Radju Malta* (right)

Today these premises are used by the Management Efficiency Unit of the O.P.M.

Within six weeks from the arrival of the new equipment, Radio Malta transmissions were extended from four hours daily to twelve and, on 1st April 1974, the service was further expanded to seventeen hours of locally originated programmes daily.

Within a year from the transmissions of Radio Malta 1, use of the former diplomatic wireless station at Delimara was made and Radio Malta 2 started transmissions, also on the medium wave, broadcasting music and news on 99.7 MHz while Radio Malta International started broadcasting on 75.5 MHz.

By the end of 1973 it was estimated that 50% of households interviewed had at least one radio set (either in the house itself as a movable set operating on mains, or installed in a car or in the form of a portable transistor radio); 13% owned two sets; 4% owned three sets; and 1% owned four radio sets – 53,000 households in total¹⁰. Rediffusion was present in 67% of households – 1% lower at 52,400 households in total; while only 9% of the population neither had a radio set or a Rediffusion set. A *“Rediffusion Advert published in the Commercial Courier of 8.10.73 states that ‘Rediffusion is installed in 53,833 homes, hotels and restaurants in Malta’. Assuming that between 500 and 1000 of these are in hotels and restaurants it follows that the estimate obtained from the survey is within 1-2% of the true figure.”*

Listenership of Radio Malta according to Ownership of Radio and/or Rediffusion;

	Total	Radio and Rediffusion	Radio Only	Rediffusion Only	No set
Daily	145,100	86,000	58,000	300	800
Weekly	40,300	28,000	6,000	5,000	1,300
Rarely	23,300	12,000	5,000	5,000	1,300
Total Listeners	208,000	126,000	69,000	10,300	3,400
Total Pops	322,000	144,000	75,000	73,000	30,000
%	65%	87.5%	92.0%	14.0%	11.3%

[Radju ta' Malta – Listenership Survey, November 1973; Table 8]

From this survey, based on 1200 respondents it was also estimated that there were 76,000 ±4,000 radio sets in use in Malta and Gozo; while the Malta Trade Statistics published by the Central Office of Statistics lists the following table for Imports and Re-exports of radio for the period 1964 – 1973:

With an extensive operation schedule on 1st April 1974, Radju Malta became fully operational and its success in listenership excelled through its organisation of the first ever local broadcast of *Cantasud 1974*, an annual festival that used to tour Southern Italy. This was brought over to Malta on 2nd July 1974 with the principal participation of Al Bano, Romina Power and Lara St. Paul. *Cantasud Malta* was awarded the *Cantasud Gold Medal* obtaining 54 votes out of 71 for the best organisation out of the 21 localities that *Cantasud* visited that year.

Programme standards by the Rediffusion Group of

Companies, however, continued to deteriorate. The standard of imported programmes by the Malta Television Services in 1974 was deemed lower than in previous years. The original agreement provided for a minimum broadcasting time of 3 hrs per day and a total of 28 hrs per week. By 1971, the daily broadcast hours had only increased by one hour and although it was considered an improvement, the

Year	Imports	Re-Exports	Net Imports
1964	3,840	-	3,840
1965	2,779	2	2,777
1966	2,856	266	2,590
1967	11,769	3,786	8,001
1968	13,784	1,139	12,645
1969	11,261	1,443	9,818
1970	12,587	308	12,279
1971	8,817	441	8,376
1972	4,685	313	4,372
1973*	6,943	3	6,931
			71,629

Notes:

- (1) Figure include Radio sets and Radio Gramophones.
- (2) 1973 figures cover the period January/June only.
- (3) Total does not include radio sets imported prior to 1964 and which were still in use.
- (4) Allowance has to be made for those radio sets imported latest and which were still unsold.
- (5) Allowance has to be made for those radio sets for which no record existed.

¹⁰ Radju ta' Malta – Listenership Survey, November 1973; Shaw Universal Marketing Services, Valletta; commissioned by the Broadcasting Authority.

Authority felt that this increase was the minimum justifiable considering the £224,144 direct financial subsidy paid to its contractors up till 1971. For two consecutive summers of 1972 and 1973 MTV made requests to the Authority for the reduction of television hours during the summer months despite the increased payments by the Authority on television programming and the provision of equipment. In May 1974 the Authority was informed by its contactors that televisions hours would be reduced irrespective of the Authority's stand. In July 1974 Malta Television Services reduced the broadcasting hours by 25 minutes daily.

Following the general elections held on 12th to 14th June 1971, Government made clear from the start its policy on broadcasting. At the first public pronouncement at the Speech from the Throne, it was made clear that there was to be a point in time when broadcasting was to pass to the public sector. The first steps taken by Government was that of the appointment of a Chief Executive to the Broadcasting Authority – a post which had been left vacant for about three years as Government retained such power of appointment up till 1999, and dictated the recruitment and conditions of employment of the Authority's staff.

The Broadcasting Authority supported from the start Government's plan to shift broadcasting media to the public sector and, on separate occasions, the Authority offered its services for the start of negotiations.

Negotiations started between Government and the Rediffusion Group towards the end of 1973. However, by the end of 1974, negotiations broke down as no agreement had been reached between the General Workers Union and the management as to the terminal benefits that would be paid to the staff were the company to terminate its activities on Malta. This was the second industrial disagreement registered between the G.W.U. and the Rediffusion Group, the first being registered on 26th July 1968 with a one-day strike.

On 14th February 1975 a sit-in strike was ordered by the G.W.U. at the premises of the Rediffusion Group of Companies and for a few days wired sound and television broadcasting services remained closed. On 19th February radio and television broadcasts were restarted by the workers themselves who were still on the sit-in strike. On 24th February 1975 a Bill legalizing recent past and future activities of the workers of Rediffusion and MTV was introduced by Government and an Emergency Council was made up of workers from the two companies.

By April 1975 it was decided that the Emergency Council would also take control of other important communication services. These would include the former Rediffusion, Malta Television and Radio Malta under the new name of *Xandir Malta* run under a new public corporation Telemalta which would also take control of the Telephone Department and the Cable and Wireless Department both of which had operated independently. Telemalta Corporation was to be run by a Chairman and Board Members appointed under the Minister for Development, with each section run by its own management. In the meantime, all

the Authority's staff members and all broadcasting equipment previously purchased or acquired were transferred to the Emergency Council.

By 31st July 1975 *Xandir Malta* officially became the broadcasting division of the Telemalta Corporation. All previous responsibilities for programme production were shed by the Authority and all manpower and technical assets were transferred to *Xandir Malta* including the Authority's wireless Radju Malta and its three stations broadcasting on the medium wave and on VHF-FM. The Schools Broadcasting Unit was also seconded by the Authority to the new centralized control of Telemalta Corporation.

Under the new broadcasting regime, the Authority reverted to its primary role of acting as 'watch-dog' over the broadcasting media, with Telemalta Corporation as its new broadcasting contractor. Its primary function emerged from the provisions of the Constitution (to ensure impartiality in matters of political or industrial controversy, or relating to current public policy, and that facilities and time are fairly apportioned between persons belonging to different political parties); and with the provisions of the Broadcasting Ordinance and the Broadcasting Agreements (which obliged the Authority and its Contractor to maintain balance and impartiality in programming, and to exclude from programmes any matter designed to serve the interests of any political party).

At the time it was considered that under these arrangements the Authority became more removed from the actual production process and in the consideration of complaints, it was not acting as judge, jury and defending counsel as was previously contended. Complaints received by the Authority were referred to its contractor for its comments, prior to further investigation and decision by the Authority. *"The Authority's monitoring service was extended to various areas of programming and reports were sent regularly for the Contractor's attention. Where major points of substance were raised these were dealt with at Board level and suitable follow-up action taken"* (B.A, 1975-76). Actually this meant that a complaint received by the Authority was forwarded to its Contractor for comments; this in turn was forwarded to the complainant for clarification and then if necessary brought to Board level.

Another first was achieved in February 1976 when, for the first time Outside Television Broadcasting became operative through the acquisition of an outside broadcasting unit which was modified to take a third camera and two portable micro-wave links by *Xandir Malta* engineers. This was used for the first time for the live coverage of the proceedings of "Budget Day" together with recorded historical commentaries on the House of Representatives and the interiors of the President's Palace. By the end of the year, this was used for two sports events (Horse Racing from Marsa and the Motorcycle Scramble at Mtarfa); for the *Malta Song Festival*; the Good Friday Procession from Mosta; and for the 1976 General Election where a temporary two-camera studio was set up at the MCAST while a third camera was placed directly in the counting area. Continual 'live' coverage extending throughout the night, and ending late the following morning, with liaison between the main studio control at TVM, the MCAST studio, and the News Division ensured continuity.

OB coverage for that period April 1976 to March 1977 also included:

- the Carnival defile and dancing from Misraħ il-Ħelsien;
- the Republic Day festivities outside City Gate;
- the swearing-in of the new President of the Republic at the Palace, Valletta;
- the Midnight Christmas Mass (which had to be abandoned due to a power failure);
- the consecration ceremony of the new Archbishop at the Mdina Cathedral;
- the state visit of the President of the Libyan Arab Republic, Colonel Gaddafi;
- opera from the “Aurora Theatre” in Gozo;
- the appointment of Labour Party deputy leaders from Freedom Hall, Marsa;
- the Prime Minister’s address to the Nation, also from Marsa’;
- the Manoel Theatre Orchestra Christmas Concert from Valletta;
- the “Bir Miftuħ” orchestral concert from the Assembly Hall at the Univeristy, Tal-Qroqq; and
- the opening ceremony of the second TV Channel at TVM premises [Tivumalta Ltd.].

Another first was achieved on 13th October 1977 – the direct radio transmission of a parliamentary session in which the Prime Minister and the Leader of the Opposition took part. And on 6th November 1978 Parliament again exercised its prerogative – to allow the television cameras within the precincts of the House of Parliament for a direct transmission of a debate on Malta’s foreign policy. This was followed on two other occasions – the 27th and 28th January 1979 – when Parliament was recorded and a deferred transmission took place on radio and Cable radio only in connection with the Budget involving the Prime Minister and the Leader of the Opposition.

In January 1978 the English Service on Cable Radio Two was withdrawn and was replaced by programmes broadcast by the wireless station, Radio Malta One. By January 1975 the total daily listenership of both Radio and Cable Radio registered 282,000 listeners, representing more than two-thirds of the total population (aged 9 years and over) with Radio Malta One registering 155,000 while Cable Radio One registered 123,000 listeners. In 1979, Radio Malta Two, (the all music service) was taken off the air, while on 14th December 1979, Radio Malta International was moved to the VHF/FM band. This international service was discontinued as it did not have sufficient adequate power to carry transmission to the Italian mainland and was replaced by twelve continuous hours of daily broadcasts from 08:00am to 20:00 in English for the ever increasing tourist population in hotels, apartments and other holiday complexes.

In addition, for the first time, Television Malta hosted Mons. G. Mercieca, Archbishop of Malta and Mons. N. Cauchi, Bishop of Gozo to deliver the religious and pastoral television talks for the Holy Week of 1979.

Although the contractual relationship that existed between the Broadcasting Authority and the Rediffusion were also operative with the Telemalta Corporation (when the latter became responsible through its broadcasting division, Xandir Malta) the same cannot be said for those stations which operated under direct licence from the Government. At the start of 1979 these included the Central Mediterranean Relay

Station; the British Forces Broadcasting Service; the Deutsche Welle Relay Station; TiveMalta Ltd.; the Voice of Friendship and Solidarity (later Voice of the Mediterranean operating under joint management provided by the Maltese and Libyan Governments); and Radio Mediterranean (a joint venture between the Maltese and Algerian Governments) – all these were not contracted by the Authority.

Only the Constitutional provisions on broadcasting and one section of the Ordinance [Section 7(2)(a) (c) and (g)] applied to these broadcasting services. The section referred to:

- religious sentiment, good taste or decency in programmes;
- the prevention of anything which might incite to crime or disorder or be offensive to public feeling or give offence to a living person; and
- the preservation of accuracy and impartiality in news and the maintenance of impartiality in matters of political or industrial controversy or relating to current public policy.

And although the Authority on its part and as far as possible monitored the programmes and investigated any complaints which arose within the specific limits allowed by law, administrative action could only be taken by Government.

The perennial divergences afflicting the Authority and media service providers promulgated themselves not only between these two parties but also within the media service providers themselves. The highly polarized political situation, with only one public service provider under Ministerial control, was not a sustainable position especially when social partners were also involved. A case in point was the unprecedented situation faced by the Authority in November 1979 following directives issued by the General Workers Union ordering a boycott from the media of all official activities of certain Members of Parliament – a directive, official and/or sometimes unofficial, that was resorted to a number of times over the years.

Such a directive had immediate repercussions as the Authority and/or its contracted service providers were restrained from the provision of complete and objective programmes as daily news coverage; current affairs programming (*Mill-Gurnali tal-Lum* – a daily review of editorial opinion); and parliamentary reports (*Mill-Parlament* – a report on parliamentary affairs broadcast whenever parliament was in session); as well as the broadcast of annual political programmes organized by the Broadcasting Authority. This often led to temporary suspension of programmes sometimes for the duration of the dispute, cancellation of programme series, and legal action awaiting court judgments.

1981-1990

The year 1981 started with the appointment of Mr. Francis S Carbone as Chief Executive of the Authority on 21st January, a post which had been left vacant for some years, while Mr. Antoine Ellul, the Authority's Secretary, was detailed for other duties with the public service.

Undoubtedly, two major events attracted great public interest: the introduction of colour television service that was inaugurated on 8th July 1981; and the start of radio broadcasts by the Nationalist Party from

overseas. In mid-November 1981 both the General Workers' Union and the Malta Labour Party separately complained to the Authority over what was termed as *imbalance created by such overseas broadcasts*. In its Annual Report the Authority held that *it was not within its competence to put a stop to such broadcasts*; however, *no remedial measure could be taken at the time for lack of quorum*.

The year 1982 was characterised by a number of Court cases all concerning the actual composition of the Board. During the previous year, on 16th December 1961 two members of the Board tendered their resignation to the President of the Republic. And although the Authority was still constituted, practically no decisions could be taken by the Authority as there was no quorum. This was confirmed in the First Hall of the Civil Court judgment of May 1982 that asserted that Article 123(2) provided that once a Commission (in this case, the Authority) is set up by the Constitution it may still function, notwithstanding there are vacancies in its membership.

Section 3(5) of the Broadcasting Ordinance states that the number of Members other than the Chairman, shall be not less than four and not more than six, while the First Schedule to the same Ordinance specified that the quorum of the Authority shall consist of three Members in addition to the Chairman. Since 1964, the number of Members appointed to serve on the Authority has been pegged down to the minimum allowed by law.

The incumbent Authority's term of office ended on 20th July of 1982; however the term of office of its three remaining members was extended till the end of the year. At the following Court of Appeal's judgment while confirming the judgment of the First Hall of the Civil Court (in that the Authority was still constituted even with reduced members), the Court of Appeal deemed that post 20th July 1982 the Authority was no longer regularly constituted as required by the Constitution – the mere extension of office did not equate the reconstitution of the Authority. Consequently, the Authority could no longer remain a proper defendant in its own case. In such circumstances, the constitutional provision which states that the Authority's representation is vested in the Chairman could not be applied as the Authority itself was not constituted.

In a move designed to solve this ongoing controversy in broadcasting arising mainly through the various boycotts declared, the Foreign Interference Bill, Act No. XI of 1982 came into force on its publication on 1st September 1982 while, on the other hand, transmission from Sicily was suspended on 3rd August 1982. Although the local receiving of broadcasts from abroad was not deemed to be an offence, the transmissions by Maltese citizens from abroad to Malta became liable to prosecution. At the time the transmission to neighbouring countries from the latter's nationals abroad was, and still is, a common practice not only in the E.E.C. (now the European Union) but even worldwide – a case in point being Radio Luxembourg.

From the commencement of 1983 straight through the following three years, the Broadcasting Authority was not constituted. Broadcasting regulation during this period proved even more precarious when in

March 1983 the Chief Executive of the Broadcasting Authority was also appointed Chairman of TeleMalta Corporation, being itself the broadcasting contractor to the Broadcasting Authority. In October 1983, Cable Radio 2 and Radio Malta were peremptorily amalgamated.

For the next three years every effort was made for a negotiated settlement of the existing crisis in broadcasting. The Nationalist Party lifted its 23-month boycott of products advertised on the broadcasting media on the very first day of 1984. This move was reciprocated by the General Workers' Union lifting its directives ordering the workers of Xandir Malta to boycott Nationalist Party's activities and, towards the end of the year, removed their boycott against the Nationalist MP, Dr Josie Muscat as a further sign of goodwill.

This, however, did not totally remove the stalemates prevalent at the time. On 19th February 1985 the Constitutional Court delivered judgment on the case instituted in November 1979 by the Nationalist Party against various omission by Xandir Malta whereby the Court requested the latter to broadcast within two working days that all the complaints listed were adjudged as founded and justified by the Court. All this notwithstanding, the Chief Executive of Xandir Malta presented himself on 19th April 1985 in his first monthly programme "*Il-Kap tax-Xandir Iwieġeb*" – a programme which invited adverse criticism from various quarters especially from the House of Representatives when on 10th July it was commented that "*even if informative, the Head of Xandir Malta had no right to touch upon controversial matters*".

The turning point came at the parliamentary sitting of 10th July 1985 when a Select Committee was set up with the unanimous approval of the House of Representatives with members nominated by both sides of the House to examine the provisions of certain laws with the aim of strengthening the democratic process in Malta, and with the appointment of the Broadcasting Authority on 18th July 1986 (again for a period of one year). The post held by Mr. F X Carbone as Chairman of the EneMalta Corporation (formerly TeleMalta Corporation) was relinquished on 1st October while he retained the post of Chief Executive of the Broadcasting Authority. After the May General Elections, Mr. Antoine Ellul was appointed to the post of Chief Executive of the Broadcasting Authority in July 1987, previously having served the Authority in various capacities during the period 1961 to 1981.

Of note is the Memorandum *Il-Knisja u x-Xandir F'Malta* presented to the Broadcasting Authority on 23rd October 1986 by the Press Office of the Archbishop's Curia, limiting itself only to the presentation of the Church in news items, and the reconstitution of the Religious Broadcasting Advisory Committee in consultation with the Archbishop of Malta.

In the early eighties, court cases concerning the appointment, composition of the Authority, its quorum and proceeding were the order of the day. Moreover, not being constituted for three and a half years between 1983 and July 1985, brought about a disruption of the Authority's regulatory and other functions. Impartiality and balance were no longer rigorously observed, and the broadcasting regulator specifically entrusted with that task could not enforce the Constitution's broadcasting provisions.

The end of this decennial also brought about some welcome changes in broadcasting systems. Cable Radio, which had been operating in Malta for 53 years, broadcast its last programme before closing down on 31st January 1989 while, during the same month, a public call for proposals was issued to develop a Cable Television Service for the Maltese Islands.

In September 1990 a White Paper was issued setting out Government's proposals for establishing pluralism in broadcasting through the development of new radio services at national and community levels, the introduction of a cable television service, and providing a framework for rapidly developing technologies.

1991 - 1999

The new Broadcasting Bill was published on 8 March 1991 and after 22 parliamentary sessions was enacted and brought into effect on 1st June 1991. However, in April 1991 Government offered and subsequently issued radio licences to the Nationalist Party, the Malta Labour Party, and the Catholic Church in terms of the Wireless Telegraphy Ordinance; these were valid for a period expiring on 31st December 1992. On 3rd June 1991, the Government signed an agreement with Melita Cable Television Ltd. granting the company a



Licensing of the first Commercial Radio Stations
Island Sound, Radio One Live, Bay Radio
7th November 1991

15-year franchise to install and operate a cable television service comprising of a number of channels received via terrestrial and satellite stations; while the Broadcasting Authority issued a call for applications for eight-year licences to operate nationwide radio stations on that same day. Construction of the cable system began in the Autumn of 1991 while work for the connectivity for Gozo started in 1995. By 1st January 1996 the total number of households with a cable facility stood at 145,371, of which 51,500 were actually connected to the cable service – a penetration rate of 35%.

The Labour Party radio station *Super One Radio* was the first on air with regular 24/7 transmissions in mid-August 1991; the station owned by the Nationalist Party, *Radio 101*, was inaugurated in September 1991; while the Church station, *RTK*, was inaugurated on 14th March 1992.

By 7th November 1991 the Authority had awarded three licences, out of five applications received, to *Island Sound* (which commenced transmission on 6th March 1992), *Radio One Live*, and *Bay Radio* (commencing transmission on 10th March 1992). *Smash Radio* was the last station licensed by the Authority for its first issue of frequencies.

At the end of the year the Authority also launched four-year community radio services that were to broadcast with a 2.5 Km radius from location. The first two such community radio stations were *Radju Rona* which started transmitting on 15th April 1993 from Naxxar; and *Radju għall-Providenza* which operated between 20th and 25th December 1993 from Siggiewi with the aim of broadcasting music pledges to raise funds for the residents of the Dar tal-Providenza. *Radio Rona* which was embarked upon with much enthusiasm closed down after two months; however the efforts of *Radju għall-Providenza* and *Radju għar-Restawr* (licensed the following year for the restoration of part of the façade of the Mosta Church) were *both quite satisfied with the results of their efforts*.

In June 1992 the Authority advertised the availability of the remaining two unallocated frequencies for nationwide radio services in the VHF/FM band. Three applications were received, setting up the first actual exercise in competitive licensing owing to the limited number of radio frequencies available. *Radio Calypso* was licensed first as it originated from Gozo and promised to present the Gozitan dimension at a national level. There was heavy contention for the last remaining licence.

An interesting development took place during 1993, culminating in the issue of a radio licence by the Authority to UNIMAS Ltd. Following exhaustive negotiations between the Authority and the two applicants (the University of Malta and the Social Action Movement), agreement was reached on the setting up of a holding company (UNIMAS Ltd.) which would be allocated a licence to operate a joint programme service on the FM frequency. Transmissions from the University Radio started in August 1994 while in October 1994 Radju MAS commenced regular transmissions.

In February 1997 two additional VHF-FM frequencies were assigned by Government for use by PBS Ltd and by Alternattiva Demokratika. *FM Bronja*, the third radio service run by the public service broadcaster was licensed by the Authority by the end of the year. Alternattiva Demokratika, on the other hand, had to give up its community radio licence and a broadcast licence was issued on 6th May 1998 for *Capital Radio*.

The new broadcasting legislation also contemplated a new television-broadcasting scenario for the public service provider. A new company was set up on 27th September 1991 and all operations of the former *Xandir Malta* were transferred to the new service *TVM* operated by the state owned company Public Broadcasting Services Ltd. This included also the already on-air radio stations *Radio Malta 1* on 999 MW and *Radio Malta 2* on 93.7 FM.

In June 1993, Parliament amended section 10(5) of the Broadcasting Act. The original version limited one broadcasting service to one broadcasting licensee requiring, in effect, that a radio licensee could not obtain a television licence without first relinquishing control over the company which owned the radio service. The amendment allowed an organisation, person, or company to be editorially responsible for not more than one radio service and not more than one television service. On 22nd February 1993 Government assigned to the Authority the UHF channels 21 and 29 for which the Authority had already received an application from the Malta Labour Party to cover also television broadcasts.

The two assigned channels were subject to varying degrees of interference from the Italian stations *Canale 5* and *TVR Sicilia*; and representations had to be made by Government with the Italian authorities to clear the two television channels which had been internationally assigned to Malta by the Stockholm Convention. On 20th August 1993, the Malta Labour Party commenced unauthorized television test transmissions on UHF channel 43 while a licence was issued to *Super One Television* on 25th February 1994 to operate on channel 29, using the transmitter power of 100 watts at the Authority's antenna at Gharghur and a system of repeaters to achieve nationwide coverage. *Super One Television* also started using the cable system during the last quarter of 1994.

A second television broadcasting licence was issued to Smash Communications Ltd. on 27th October 1994, authorising the company to operate *Smash TV* on the cable television system. It commenced broadcasts on 19th November 1994. During the last quarter of 1994 another channel *Max Plus* was introduced by the Cable Operator.

The White Paper published in September 1990 and the Broadcasting Act ushered in a new era establishing pluralism in broadcasting and the ending of monopolistic broadcasting. The Authority was tasked with the setting up of a new community TV-channel operated by itself, *Channel 12*, and an educational channel which was to be provided by the Education Department in consultation with the Authority. *Xandir Malta* was hived-off from the *Telemalta Corporation* and absorbed in a limited liability company – *Public Broadcasting Services Ltd*. The removal of broadcasting barriers, which had shielded the public service monopoly in broadcasting together with the advent of a cable television network and the fast expanding FM radio stations in 1992, required more than the premises held at Blata-I-Bajda, which had accommodated the Authority since 1971. They were clearly inadequate for these requirements which included television and training studio space, as well as room for offices and technical support, editing suites for its local productions, and computers to assist in the analysis of performance reports and broadcasting surveys.

Following the Authority's decision to build offices and studios suitable for its requirements, a rather lengthy process ensued for the selection and purchase of an appropriate site as well as for the preparation and approval of purpose-built facilities. In March 1994 construction work on a new office building started at Mile End Road, Hamrun, and by September 1995 the Authority moved into its newly built office premises. By that time a television studio of 100 square meters, located mainly underground, was in its final stages of completion for the Authority's community television station (*Channel 12*), which became fully operational on 29th September 1996 via the cable television service under the direct control of the Broadcasting Authority.

Soon after its inauguration, *Channel 12* concentrated on *placing its human and technical resources at the disposal of those organisations with a commitment towards social and cultural progress* where Local Councils and philanthropic societies featured prominently in the station's programme schedules. In its

brief existence, in fact, the Outside Broadcasting Unit that was donated by Melita Cable Ltd. as part of its 15-year franchise licence obligations produced 18.6% (337 hours) of all *Channel 12's* programmes.

In 1997, *the reduction in the Authority's budget in line with the Government's policy of rationalizing public broadcasting resources meant that the Authority could no longer continue to operate the Community Channel.* As the Authority wanted to ensure that the broadcasting resources it owned would remain in the public domain, discussions with PBS Ltd. started immediately following discussions in March with the Prime Minister on Government's rationalization plans for the public broadcasting sector. When PBS Ltd. signified their disinterest in the package offered, the Authority concluded an agreement with Melita Cable Television Ltd. that fulfilled all the criteria sought by the Authority. However, Melita Cable later pulled out after the Prime Minister described the deal reached as not in the public interest. Subsequently PBS submitted an offer that was closely akin to the one they had previously rejected and negotiations between the Authority and the national broadcasting station were successfully concluded.



The Broadcasting Authority
Today, at 7 Mile End Road
Hamrun

Channel 12, the community channel on cable television which began its activity under the direct control of the Broadcasting Authority on 29th September 1996, was hived off to the Public Broadcasting Services Ltd. on 16th January 1998.

In July 1997, Government assigned four UHF television channels to the Authority for use by licensed private nationwide broadcasters. After due consideration test transmissions were authorized on UHF Channel 50 that was allocated to the Nationalist Party – a broadcasting licence was issued on 20th March 1998 to *Net TV*. Channel 42 was allocated to Smash Communications Ltd. which was already operating a television service on cable.

In August 1999 Max Media Entertainment Ltd. made a formal application for a new TV service *Max Plus*. The station was to broadcast only on the cable network and was allocated the use of channel 18 on this service. Also that same month *a formal application was made by a newly set up company, www.travel, for a broadcasting licence for overseas digital satellite television and digital interactive HTML contents broadcasting service.* The application was referred to the Ministry for Transport and Communications and the Authority was later informed that the station had been granted permission to start test transmissions.

On 1st January 1999 the Authority appointed for the first time in its history its own Chief Executive Officer, as the power to appoint staff at the Broadcasting Authority was retained by Government.

Through the initial stages of pluralism, the Broadcasting Authority concentrated mainly on establishing the various licences issued, and *while steadfastly adhering to its legal and constitutional requirements made the pragmatic decision to tolerate shortcomings liable to be found at the outset of these new ventures*. As the end of this teething stage, the Authority marked the end of 1994, and while emphasizing that pluralism was intended to offer the public a wide choice of programming at a consistently acceptable level, the Authority embarked on a number of initiatives to increase the quality level of broadcasts.

Following the liberalization of the broadcasting media market, the first such initiatives included:

- 18th February 1993: Seminar – *Current Affairs Programme Guidelines* with keynote speaker Dr Massimo Fichera, the Director-General of *Euronews*
- 11th June 1993: Seminar – *The Effects of Pluralism in Broadcasting*
- 18th February 1994: Seminar – *Balance and Impartiality in Broadcasting*
- 7-18th March 1994: *Training course in broadcast journalism* held with the cooperation of the Authority, The Strickland Foundation, and the Thomson foundation
- 5th May 1995: Seminar – *The Role of the Broadcasting Authority in a Democratic Society*
- 30th May 1996: Seminar – *The Role of Advertising in Broadcasting Policy* with keynote speaker Prof. Dr. Bernd-Peter Lange, Director-General of the European Institute for the Media. This was followed by two discussion half-day seminars in August 1996 for station managements and advertising agencies to review a draft advertising code purposely prepared by the Authority
- 27th August 1999: Seminar – *Television Broadcasting in Malta*

Over time, the Authority published several publications related to broadcasting. The first such publication was “The Young Listener” in collaboration with the Department of Education for the Schools Broadcasting Unit of the Broadcasting Authority. This was followed by the publication of the proceedings of several conferences organised by the Authority in 1993-1995. Conscious of the fact that until 1999 no qualitative survey had ever been carried out on a national basis in order to assess the effects of broadcasting on various sectors of Maltese society, the Authority initiated a 3-year plan. This plan involved the annual commissioning of a qualitative survey about the effects that a particular aspect or aspects of broadcasting might have on a specific sector of society. The following qualitative research was thus commissioned by the Authority:

- *Young People and the Broadcasting Media*; Joe Grixti, 1999, examined and evaluated the effects that violence, sex, advertising and product placement as well as programming strategies had on the attitudes or behaviour of young people under 14 years of age.
- *Broadcasting Pluralism in Malta Ten Years Later – A Qualitative Perspective*; Marika Fsadni, 2003, examined the effect of broadcasting pluralism on programme content, broadcasting standards and the public broadcaster.

- *Broadcasting and The Young Adult Consumer*, Joe Grixti; 2004, examined local and global media influences on Maltese youth culture
- *Programmi ta' Kwalità Għat-Tfal*; Aquilina, Axiak, DeBono, Muscat Azzopardi; 2007; research papers and guidelines for audio-visual content for children programmes through a joint committee between the Authority and the Commissioner for Children
- *Maltese Broadcasting Legislation: Salient Documentation*; Aquilina & Axiak, 2007; Broadcasting Studies Series Vol. 1;
- *Maltese Broadcast Consumer Profile: An Analytical assessment 1999-2006*; Mario Axiak, 2008; Broadcasting Studies Series Vol. 2; and
- *Gender Issues in News Bulletins: A Comparative Analysis between Malta, Cyprus and Ireland*; Joanna Spiteri, 2008; Broadcasting Studies Series Vol. 3.

Another initiative taken by the Authority to improve the level of quality of broadcasts started during 1994 when the Authority announced the launching of a radio and television programme competition that was meant to become an annual event and had the following basic objectives:

- To stimulate healthy competition between broadcasters working in the various television and radio stations.
- To demonstrate that talent is appreciated and rewarded.
- To achieve excellence in television and radio programming which, in turn, would enhance the status of programme producers.

This yearly competition ran from 1995 to 2003 and for nine consecutive years this became the main focus of both local radio and television broadcasting stations. All competed for the Best Programme in one of a list of categories. The awards were highly contested by the producers themselves, but at times they were not awarded as the expected quality was not attained. Starting with six categories in 1995, this list accounted for eleven categories by 2003 for radio as well as for television programmes, an Award for Gender Awareness in the Broadcasting Media, and an Award for the Proper Use of the Maltese Language. A special award for outstanding service to the broadcasting industry was awarded to Charles Arrigo (1995) and to Charles Clews (1997).

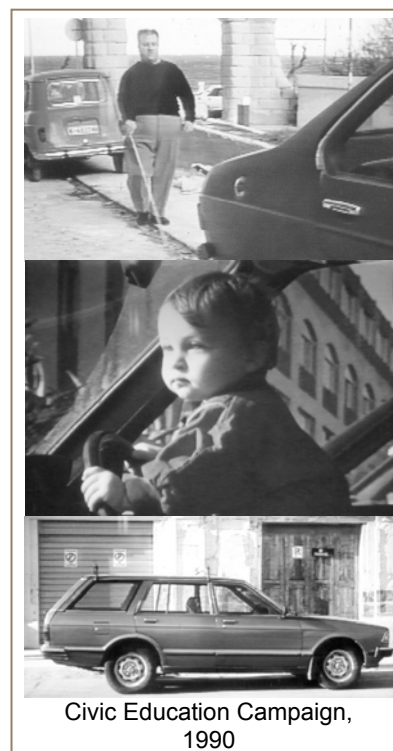
While on the one hand the Authority wanted to stimulate healthy competition and, at the same time wanted to help local programme and producers through various initiatives, it wanted to ensure that it could operate as efficiently as possible in the public interest. Section 33 of the Broadcasting Act lays down that: *"The Authority may appoint, or designate any organ, as advisory committees to give advice to the Authority and to any person providing broadcasting services in Malta, on educational and religious matters, on standards of conduct in the advertising of goods or services, and on such other matters as the Authority may determine"*.

In 1999, the Authority appointed five advisory committees in order to advise it with regard to various broadcasting matters dealing with:

- Broadcasting Technology – to advise the Authority with developments in broadcasting technology; recommending implementation schedules to the introduction of digital broadcasting and to advise the Authority on the regulatory aspects of such developments.
- Quality and Ethics in Broadcasting – to advice and raise the level of programme standards on public and commercial broadcasting media through programme guidelines aiming at good taste and decency.
- Advertising and other Economic Issues – to advise on the upgrading and revision of the Code of Advertising Standards and Practice (Third Schedule of the Broadcasting Act, Cap 350.) ensuring adequate consumer protection, and to draw up a code of advertising ethics for the broadcasting media.
- News and Current Affairs – to devise an overall plan for the improvement of present output of news and current affairs programming on public and commercial broadcasting services through the updating of such codes of standards and practice for the attainment of good journalistic practices.
- Gender Issues in the Broadcasting Media – to advise on the introduction and adaptation of guidelines concerning gender issues in programme content; the introduction of equality of opportunity in the granting or renewing of broadcasting licences; and in the preparation of contact lists of a gender-balanced database of experts for use by producers in the area of news and factual programming.

By the end of 1999 the Authority was in a position, amongst others:

- to properly ensure the preservation of due impartiality in respect of matters of political or industrial controversy or relating to current public policy;
- to fairly apportion broadcasting facilities and time between persons belonging to different political parties by organizing its own political broadcasts;
- to act as a sound and television broadcasting;
- to draft broadcasting legislation for Government's and parliament's approval;
- to award radio and television licenses for both nationwide as well as on community basis;
- to monitor broadcasting stations and regulated their performance in terms of their legal and licensing obligations;
- to ensure that a wide range of broadcasting services catering for a variety of tastes and interests were available;
- to ensure fair and effective competition of the provision of these services;
- to produce civil educational campaigns on broadcasting media;
- to organise annual broadcasting seminars; launched research grants commissioning qualitative and quantitative studies on broadcasting related subjects;



Civic Education Campaign,
1990

- to establish a diversity database for use by broadcasters; and
- to formulate broadcasting standards on various aspects of broadcasting.

With regard to international relations, the Broadcasting Authority was always very active within broadcasting regulatory networks and other international fora. It hosted several international conferences locally. Such networks included World Summits for Regulators, International Telecommunications Union; UNESCO; the European Broadcasting Union (EBU); the Commonwealth Broadcasting Association (CBA); the Council of Europe (COE); the European Platform of Regulatory Authorities (EPRA); the European Television and Film Forum, and the Mediterranean Network of Regulatory Authorities (MNRA).

In fact, the Authority is a founding member of the European Platform of Regulatory Authorities (EPRA) that was set up in 1995 during a meeting held in Malta with the following primary functions:

- to provide a forum for informal discussion and exchange of views between regulatory authorities in the broadcasting media;
- to constitute a forum for exchange of information about common issues of national and European media regulation; and
- to encourage discussions and seek to find practical solutions to legal problems regarding the interpretation and application of media regulations.

Various familiarisation visits by the Authority and its Members, as well as some of its staff, were also made during the course of its operations. Entities visited include the BBC Worldwide Television, the French Conseil Supérieur de l'Audiovisuel (CSA), and the European Institute for the Media amongst a host of others.

2000 - 2011

The first ten years of the new millennium proved to be as challenging for the Broadcasting Authority as the previous decennials. A major upgrading of the Monitoring Department was started during 1999 and the first and second phases of the Authority's IT programme were in place by the end of 2000. This included the launching of its web-page in May 1999 and the computerization of the Authority (Phase 1). An appropriate database (Phase 2) was introduced to render the Monitoring Department more efficient, considering that its role is closely linked to the Authority's key constitutional function. Phase 3, which envisaged a centralized archiving digitized capturing system of all broadcast radio and television systems, commenced in 2006 through the issue of a call for express of interest with draft specifications and the drawing up of an eventual tender document.

During 2008 the Authority carried out an extensive study aimed at reforming its internal services. The structure of the Authority was, and still is, *the same at senior management level prior to the enactment of the Broadcasting Act in 1991 when there was only one broadcaster. Whilst the public service has moved on to reform its administrative structures in the early 1990's and to adjust its structures to E.U. membership, the Authority has remained static and unresponsive to the changes which were taking place*

in the public service and to cater for its new role following E.U. accession. These proposals were duly communicated to the Office of the Prime Minister and at year's end the Authority was still awaiting the required feedback thereon. (B.A. 2008).

Up until the 1990's through the Ordinance of 1961, the Broadcasting authority had to resort to judicial decrees to maintain balance and impartiality and, very often, the recourse sought by the Authority could be easily overturned through Government's diktat. Over time, the Authority had introduced a system under which stations facing a complaint were summoned to a hearing at which the parties involved put their side of the case to the Authority before the latter decided the outcome. Through the Broadcasting Act of 1991, the legislator had built on this practice. While every decision reached by the Authority remains subject to judicial review, the Authority was in a position to publish regulations under which public hearings were to be held. On 1st September 2000 these regulations were published through Legal Notice 161 (Code for the Investigation and Determination of Complaints) and L. N. 162 of 2000 (Special Administrative Procedure Regulations). The Broadcasting Act was also amended to ensure that any fine imposed has first to be paid before a judicial review of the Authority's decision can be sought.

The Advisory Committees set up by the Authority in 1999 were soon to prove their worth. By 2001, the Advisory Committee on Advertising and other Economic Issues in the Broadcasting Media was responsible for the issue of three sets of Guidelines: the advertising of alcoholic drinks; the advertising of Medicines, Treatments, Health Claims, Nutrition and Dietary Supplements; and the advertising of Financial Services and Products. The Advisory Committee on Quality and Ethics in Broadcasting recommended guidelines on the ethical coverage of tragedies and the correct use of Maltese in broadcasting; and concluded a qualitative study on Good Quality Television – a document for public discussion that was published and received a wide and highly positive response. The Advisory Committee on News and Current Events prepared a draft report on the updating of the Codes covering News and Current Affairs that came into effect during 2002. The Advisory Committee on Gender issues organised, on behalf of the Authority, a two-week training course at Radio Telefis Éireann, Dublin, on Gender Awareness in the Broadcasting Media for fourteen employees of various local stations after the Authority successfully applied for a placement under the Leonardo da Vince Programme of the European Union. For the first time, a prize for Gender Awareness in the Broadcasting Media was awarded.

At the start of this decennial, on 1st August 2000 the Malta Communications Authority was set up through Act XVIII of 2000 to regulate electronic communications, certain aspects of data protection in electronic communication, postal services, electronic commerce and similar areas in the field of communications. With immediate effect, close links between the Broadcasting Authority and the MCA were established, and on 30th July 2004 the Department of Wireless Telegraphy – the Broadcasting Authority's technical advisor – was integrated with this new Authority. The assignment of frequencies became the prerogative of the MCA.

Financial constraints during 2004 required the Authority to restructure or discontinue a number of its activities. The Authority's annual Programme Awards for radio and television was not held, the Authority did not appoint any Advisory Committees ... and no new initiatives in qualitative research were undertaken (B.A., 2004). Although the Authority was no longer in a financial position to appoint its own Advisory Committees, contacts with other government agencies were soon established.

In this respect, the Broadcasting Authority continued to co-operate with the *Akkademja tal-Malti* in order to raise the level of both spoken and written Maltese on the broadcasting Media through the publication of a list of information technology terminology that was to be used by the broadcasting media. With the newly appointed Commission for Children, the Authority set up a sub-committee aimed at updating the Broadcasting Code for the Protection of Minors by focusing primarily on providing guidelines for good quality programmes for children. And with the National Commission for the Promotion of Equality between Men and Women, a sub-committee was set up to render easier and to co-ordinate better on items of mutual interest to both organisations. Following submissions received from the Commissioner for Children, Aġenzija Appoġġ, the Maltese Psychological Association and the Maltese Association of Social Workers, the Authority revised its Guidelines on the Portrayal of Vulnerable Persons in the Broadcasting Media. These had originally come into being after the National Commission Persons With Disability (KNPD) had complained to the Broadcasting Authority on the negative portrayal of disabled people in a number of fund-raising programmes. Through its Advisory Committee on Quality and Ethics, and in consultation with the KNPD, the Authority drew up the said Code in 2004.

Again the Authority was not constituted during April to June and October to December of 2005. The Chairman and all the Board Members were not in office for the duration of said periods. The same Authority was re-constituted on 24th June for three months with the same members, their appointment being back-dated to 1st April. Similarly, on 22nd December 2005 the Authority was re-constituted back-dated from 1st October 2005.

In 2006 the Authority set up an advisory committee on medicinal products and medicinal treatment advertising with the aim of drawing up guidelines to assist radio and television broadcasters in grasping better the legal provisions regulating this sector as well as to develop a code of ethics as to what should be considered acceptable ethical behaviour in broadcast media. The Committee consisted of a representative of the Director General (Health), the Medical Council, the Pharmacy Council, the Council for the Professions Complementary to Medicine, the Medicines Authority, and the Consumer Affairs Council.

In view of the envisaged development in digital technology, the migration from analogue to digital radio and high definition broadcasting, new media platforms, and satellite broadcasting licensing, to name just a few, during 2006 the Authority compiled its first Business Plan to cover the period 2007-2009 and approved a Vision Statement and a Mission Statement. During this year, the Authority and the MCA set up a Task Force on Community Radio Stations to develop a policy for the assignment of spectrum and

coverage areas as well as the identification of the necessary amendment to the Broadcasting Act, the Electronic Communications (Regulation) Act, and the Electronic Communications Networks and Services Regulations. During the same year, the Authority and the MCA formulated their advice to Government on the evolution of digital terrestrial television in view of the technical developments which had taken place and in so far as “must carry and general interest objective” are concerned.

On 11th July 2008 the first satellite broadcasting licence was issued by the Authority to BuzzTV Ltd. At the time only the Minister responsible for communications was empowered to issue such a licence unless he delegated such a function to the Broadcasting Authority. Legal Notice 175 of 2008 was issued by the Minister for Infrastructure, Transport and Communications empowering the Broadcasting Authority to issue on behalf of Government a licence to this company to broadcast a television service, the uplink being in Slovenia. Essentially a generalist station, *Buzz TV* went off the air in July 2009; the owners citing technical difficulties and a change in uplink together with a re-branding exercise for the lack of broadcasts. The licence for this station was revoked by the Authority on 7th December 2009.

In July 2009 the Broadcasting Act was amended in order to provide a more detailed licensing regime for the regulation of satellite radio and television services. And in 2010, for the first time, the Authority issued its first licence for satellite transmissions to a Belgian based company *Icon Europe* for a number of thematic satellite television stations (sixteen channels including one Teleshopping Channel) targeting the Turkish speaking community in Central Asia and Central and Eastern Europe.

Test transmission on the first digital radio platform started on 1st July 2008 and on 1st October the same year the Authority issued a broadcasting licence for four years to DigiB Networks Ltd which had already been licensed by the M.C.A. with regard to spectrum frequency allocation. A number of foreign radio channels started being rebroadcast on this platform, together with the simulcasting of nearly all the locally originating FM radio stations. And by the end of the year, the first community radio station, Christian Light Radio, was also licensed by the Authority to simultaneously re-broadcast on this DAB+ platform.

On the 1st of May 2004 Malta took its place as a Member State of the European Union. At the time Malta was fully compliant with the European Union Television Without Frontiers Directive. The basis of this Directive was the protection of the home market of the broadcasting industry of the original Member States. However, with the increase of ten new Member States in 2004, the European Union soon realized that its Directive on Television Without Frontiers had to be amended. Rather than promoting quality in programming through regulation, the new Directive – the Audiovisual Media Services Directive - promoted quality in programming through the liberalization of broadcasting regulations (such as the allowance of product placement in programmes); thus making European programmes more competitive on the international market.

The European Union Audiovisual Media Services Directive (Directive 2007/65/EC) was formally adopted on 11th December 2007 and was to be transposed by Member States by the 15th December 2009. The

process for the implementation of the AVMS directive started off on 20th November 2007 with a conference for stakeholders organized by the Malta Forum in Europe in collaboration with TAIEX and the Media Desk within the Ministry for Tourism and Culture entitled *The New Media Landscape: Audiovisual Media Services Without Frontiers*. On 3rd September 2008 the Minister responsible for broadcasting appointed a Working Group on the Audio Visual Media Services Directive and a consultation document on the transposition of the Directive was published. This Working Group concluded its task on 26th January 2009 and submitted its report to the Minister concerned. On 4th June 2010, the AVMS Directive was implemented in the Broadcasting Act, Cap. 350 of the Laws of Malta through Act IV of 2010 and Legal Notices 320-326.

On February 2009 a Policy and Strategy Document for Digital Broadcasting that meets General Interest Objectives was launched by the Minister for Infrastructure, Transport and Communications in collaboration with the Broadcasting Authority and the Malta Communications Authority highlighting the changes expected for digital switchover from analogue terrestrial to digital broadcasting. A new digital platform for free-to-air stations was set up and a multiplex licence was issued to the state broadcaster, i.e. PBS Ltd. as the operator of this digital platform which was to carry up to six stations, including *TVM* and *Education 22* which are considered to be *de facto* general interest objective stations. On 21st June 2011, Legal Notice 240 of 2011 was published in the Government Gazette, setting out the criteria to be adopted in the selection of television services that fulfill general interest objective criteria to broadcast on the digital free-to-air platform. The analogue signal was switched off on 31st October 2011.

10. REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2011

The Broadcasting Authority report and financial statements for the year ended 31st December 2011 are found in Appendix II of this Annual Report.

APPENDICES

APPENDIX I:

ANNIVERSARY CELEBRATIONS – H.E. DR GEORGE ABELA, THE PRESIDENT OF MALTA VISITS THE BROADCASTING AUTHORITY

D.O.I PR1821

DISKORS MILL-E.T. L-PRESIDENT DOTT. GEORGE ABELA FL-OKKAŻJONI TAL-KXIF TA' LAPIDA F'GHELUQ IL-HAMSIN ANNIVERSARJU MIT-TWAQQIF TAL-AWTORITÀ TAX-XANDIR

Sur Chairman tal-Awtorità Tax-Xandir
Membri tal-Awtorità
Sinjuri

Ħamsin sena huma żmien twil fl-istorja ta' pajjiż, aktar u aktar meta dan il-pajjiż ikun għadda minn trasformazzjoni storika, politika, ekonomika u soċjali li ratu jinbidel minn kolonja għal Stat Indipendenti u Repubblikan fondat fuq il-prinċipji ta' demokrazija parlamentari biex imbagħad jieħu postu bħala Membru tal-Unjoni Ewropea. Matul dan iż-żmien, il-mezzi ta' komunikazzjoni wkoll għaddew minn żvilupp enormi u llum l-importanza tax-xandir kibret u l-influenza li jista' jkollu fuq l-opinjoni pubblika hija akbar minn qatt qabel. Żvolta importanti f'pajjiżna seħħet dakinhar li ntemm il-monopolju tal-Istat fuq ix-xandir meta daħlu stazzjonijiet privati kemm tar-radju u kemm tat-televiżjoni. Sa issa, kien hemm ċertu limitu fuq kemm kien possibbli li jingħataw liċenzji għal stazzjonijiet privati u dan il-limitu kien dovut għal ragunijiet tekniċi. L-introduzzjoni tat-teknoloġija diġitali terrestri se tnaqqas jekk mhux ukoll telimina dan il-limitu u għalhekk jista' jagħti l-każ li jkollna proliferazzjoni aktar wiesgħa ta' stazzjonijiet godda.



H.E. Dr George Abela,
the President of Malta,
at the Broadcasting Authority
29th September 2011.

F'demokrazija kostituzzjonali, ix-xandir għandu post essenzjali sabiex jinforma b'mod korrett u oġġettiv u jgħin liċ-ċittadin jiffirma l-opinjoni tiegħu fuq materji politiċi, ekonomiċi u soċjali biex b'hekk tissaħħaħ id-demokrazija. F'dan il-kuntest, il-funzjoni tal-Awtorità tax-Xandir hija waħda vitali sabiex tħares id-drittijiet fundamentali tal-libertà tal-ħsieb u l-espressjoni kif ukoll il-pluralizmu kemm billi tiggarrantixxi *fairness*, trasparenza, imparzjalità u ugwaljanza fl-opportunità li kulhadd isemma l-opinjoni tiegħu kif ukoll billi tagħti l-liċenzji neċessarji għat-twaqqif ta' stazzjonijiet televiżivi jew radjofoniċi, sew pubbliċi kemm privati. Ir-rwol ewlieni tal-Awtorità, fit-termini tal-Kostituzzjoni u tal-Att dwar ix-Xandir tal-1991, huwa għalhekk dak li tkun regolatur li jassigura l-bilanċ u l-imparzjalità f'materji kontroversjali politiċi jew industrijali jew fuq kwistjonijiet ta' *policy* kurrenti u mhux li jippreskrivi *a priori* l-kontenut ta' dak li jixxandar, cioè qabel ma jsir ix-xandir.

Il-prinċipju fundamentali huwa dak li tiġi prattikata d-demokrazija b'mod li ċ-ċittadin Malti jisma' l-opinjoni kollha differenti sabiex imbagħad jiddeċiedi hu b'mod ħieles liema waħda tipperswadih l-aktar, jew ma tipperswadih xejn, u jagixxi skont id-deċizjoni tiegħu speċjalment meta jasal iż-żmien li jivvota f'elezzjoni ġenerali jew f'referendum. Liċ-ċittadin għandu dritt jisma' l-qniepen kollha, sew ta' kurrenti b'saħħithom u kemm ta' daww inqas b'saħħithom jew li għadhom jibdwu. Dan jikkomporta li n-naħat kollha jkollhom opportunità adegwata biex iwasslu l-veduti tagħhom fuq is-suġġett dibattut. Fi kliem ieħor, l-Awtorità teżisti biex finalment tħares l-interess taċ-ċittadin li jieħu deċiżjoni informata sewwa.

L-Awtorità għalhekk għandha l-kompitu li tassigura *fairness*, imparzjalità u bilanċ fix-xandir kollu f'Malta. Il-Kostituzzjoni fl-artiklu 119, tesigi fuq l-Awtorità l-obbligu li tassigura bilanċ u imparzjalità xierqa f'kontroversji ta' natura politika jew industrijali jew fuq kwistjonijiet ta' *policy* pubblika kurrenti fuq il-mezzi kollha tax-xandir, kemm pubbliċi u kemm privati, mingħajr distinzjoni, għalkemm għandu jingħad illi meta giet promulgata l-Kostituzzjoni, f'Malta kien hawn biss ix-xandir pubbliku. Mill-banda l-oħra, l-Att Dwar ix-Xandir tal-1991 ġie magħmul f'xenarju meta beda diehel ix-xandir privat, speċjalment dak immexxi mill-partiti politiċi u dan l-Att jagħmel distinzjoni bejn iż-żewġ forom ta' xandir u jimponi oneru akbar fuq ix-xandir pubbliku.

L-Att jikkontempla l-bilanċ b'żewġ modi differenti: fil-każ tax-xandir pubbliku, l-Awtorità hija obbligata tara li dan għandu jeżerċita bilanċ u imparzjalità fih innifsu. Fil-każ tax-xandir privat, l-ewwel proviso tal-Artiklu

13 tal-Att jistipula li l-bilanċ huwa mistenni li jinħoloq



The Chairman of the Broadcasting Authority, Mr Anthony J. Tabone presenting a donation to the Community Chest Fund.

mhux internament f'kull stazzjon individwali imma fl-assjett tax-xandir privat kollu, jiġifieri stazzjon jikkontrollat lill-iegħor.

U hawnhekk tqum l-ewwel mistoqsija jekk din is-sistema hix verament tiggarrantixxi bilanċ fix-xandir kif rikjest mill-liġi. Dan meta it-tendenza tidher li hi li filwaqt li l-istazzjonijiet pubbliċi (hawn qed ninkludi l-Education Channel 22) huma segwiti mill-pubbliku in ġenerali, dawk speċjalment kontrollati mill-partiti politiċi huma x'aktarx segwiti fil-maġġoranza taġħom minn dawk li jżommu ma' xi partit jew iegħor u għalhekk jistgħu jassorbu opinjonijiet partigġjani u żbilanċjati peress li ma jseguw l-istazzjon tal-partit oppost.

Barra minn hekk tqum il-mistoqsija l-oħra dwar kemm l-Att dwar ix-Xandir tal-1991, li hu liġi ordinarja u li jagħmel din id-distinzjoni bejn iż-żewġ forum ta' xandir u jimponi oneru akbar fuq ix-xandir pubbliku, hux kompatibbli mal-ittra u l-ispirtu tal-Kostituzzjoni, li hi liġi suprema, u li tesigi l-bilanċ u l-

imparzjalità mingħajr distinzjoni fiż-żewġ forum ta' xandir.

Meta wieħed jikkonsidra dawn il-kwistjonijiet wieħed irid iqis wkoll illi mhux kull kurrent politiku għandu l-mezzi sabiex ikollu l-istazzjon privat tiegħu u għalhekk mhux l-opinjonijiet kollha jista' jkun li qed jingħataw l-istess opportunità li jinstemgħu. Dan mhux jiggarrantixxi *a level playingfield* kostanti għall-partijiet kollha u dan żgur li mhux fl-interess taċ-ċittadin li għandu dritt ikun infurmat il-hin kollu dwar kull veduta biex jieħu deċiżjoni infurmata sew.

Dan il-prinċipju tal-bilanċ għandu jgħodd ukoll għal dik li hi l-kompożizzjoni tal-Awtorità tax-Xandir li hija maħtura mill-President ta' Malta fuq il-parir tal-Prim Ministru wara li dan ikun ikkonsulta lill-Kap tal-Oppożizzjoni. Fil-prattika, għalkemm il-Kostituzzjoni ma tgħidx hekk imma lanqas ma teskludi li jsir hekk, żewġ rappreżentanti nominati minn kull wieħed miż-żewġ partiti l-kbar jinħatru bħala membri filwaqt li *c-chairman* jew jinħatar bi qbil bejn il-Prim Ministru u l-Kap tal-Oppożizzjoni jew, jekk ma jaqblux, jinħatar min jagħzel il-Prim Ministru. Il-President jagixxi biss fuq il-parir tal-Prim Ministru f'dawn il-ħatriet u ma għandu l-ebda diskrezzjoni fil-materja. Meta l-Awtorità tiġi sabiex tiddelibera, ġie li iż-żewġ membri li jirrappreżentaw liż-żewġ partiti jivvutaw kontra xulxin u *c-chairman* imbagħad ikollu jiddeċiedi hu biss. F'kelma waħda, fil-prattika d-deċiżjoni jispiċċa joħodha bniedem wieħed waħdu.

Irrid nagħmilha ċara li ma qiegħed bl-ebda mod nitfa' xi dell fuq l-integrità u l-imparzjalità tal-membri passati jew preżenti tal-Awtorità. Imma s-sistema preżenti kif jinħatru l-membri tal-Awtorità tista' tidher li mhix fl-aħjar interess pubbliku imma fl-interess taż-żewġ partiti l-kbar li huma rappreżentati fil-Parlament u dan meta l-istess partiti politiċi għandhom stazzjonijiet privati u b'hekk tista' tqum ukoll il-kwistjoni ta' konflitt ta' interess. Dan mhux ideali f'soċjetà demokratika fondata fuq is-saltna tad-dritt li tirrispetta d-dottrina tas-separazzjoni tal-poteri fejn bħala istituzzjoni kostituzzjonali, l-Awtorità m'għandhiex tkun strument partigjan u għandha tkun u tidher ċar li hi indipendenti.

Hawnhekk ta' min jaċċenna fuq it-turbolenzi li għaddiet minnhom tul is-snin l-Awtorità tax-Xandir u li bla dubju qiegħda tiffaċċja u se tibqa' tgħaddi minnhom (sakemm ma jsirulhiex xi riformi). Bizżejjed jingħad li bejn 1983-1986, l-Awtorità lanqas biss kienet giet kostitwita, u dan bi ksur tal-Kostituzzjoni; u nista' nsemmi wkoll id-diversi kawżi ċivili li saru fil-konfront taġħa u l-attakki persistenti u konsistenti li tiffaċċja minn bosta kwartieri. Minkejja dan il-mewġ kollu, l-Awtorità baqgħet u qiegħda taqdi, b'mod ġenerali, id-doveri kostituzzjonali taġħa u dana kollu mertu tan-nies li mexxewha u qed imexxu u tal-ħaddiema doverużi taġħa. Ta' dan is-servizz, ħafna drabi mhux apprezzat, irrid nuri l-apprezzament u r-ringrazzjamenti tiegħi f'isem il-Poplu.

Jidhirli li l-maturità taġħa bħala poplu waslet f'livell li hekk kif sar fil-ħatra ta' President tal-pajjiz, fejn il-prinċipju fundamentali kien li jinstab l-aktar kunsens wiesa' possibbli, jinstab il-mekkaniżmu, il-mod kif ħatriet ta' natura kostituzzjonali jseguw l-istess prinċipju. B'hekk il-poplu taġħa jkabbar il-fiducia tiegħu fit-trasparenza, fl-imparzjalità u l-bilanċ f'dawn il-ħatriet. Wasal iż-żmien li kull min għandu interess f'din il-

materja ta' importanza nazzjonali, fosthom il-partiti politiċi, il-media, is-soċjeta ċivili u l-N.G.O's, jagħtu sehemhom halli dan il-għan jintlaħaq.

Fil-fehma tiegħi wasal iż-żmien ukoll li x-xandir, li hu wieħed mill-materji li jaqa' fil-kompetenza tal-Kumitat Magħżul tal-Kamra tad-Deputati li għandu x'jaqsam mar-riformi kostituzzjonali u t-tisfih tad-demokrazija, jerga' jibda jiltaqa' halli, f'għeluq il-ħamsin sena mit-twaqqif tal-Awtorità tax-Xandir u wara għoxrin sena mill-promulgazzjoni tal-Att dwar ix-Xandir, wara li ssir konsultazzjoni wiesa' ma' kull min għandu interess fil-materja tax-xandir, iressaq 'l quddiem proposti għat-tibdiliet meħtieġa li jikkorrispondu mal-ħtiġijiet tal-lum u mal-avvanzi mgħaġġla li qed isiru fis-settur. Wieħed irid jikkunsidra tibdil istituzzjonali, fost l-oħrajn, jekk wasalx iż-żmien li jkun hemm amalgamazzjoni tal-Awtorità tax-Xandir u l-Awtorità dwar il-Kommunikazzjoni f'awtorità waħda, kif sar per eżempju fir-Renju Unit; jekk l-Awtorità tax-Xandir għandix tibqa' r-regolatur u l-operatur fl-istess nifs; kif l-indipendenza u l-imparzjalità tal-Public Service Broadcaster għandha tiġi msaħħa; x'għandu jkun il-futur tal-istazzjonijiet tal-partiti politiċi fid-dawl tal-esperjenza singolari ta' madwar sittax-il sena mit-twaqqif tagħhom.

Hu x'inhu, pero', u jsir xi jsir, li jibqa' ċentrali f'tali riforma hu li trid dejjem tiġi u tidher li qed tiġi assikurata dejjem aktar it-trasparenza, l-*accountability* u l-korrettezza etika, l-imparzjalità u l-*fairness* fix-xandir kollu, sija pubbliku kemm privat. B'hekk jiġihom id-dritt tal-espressjoni u l-interess ta' kull ċittadin li f'soċjetà demokratika tiġi verament rispettata u mhux abbużata l-intelligenza tiegħu, kif wara kollox jixraq.

Jiena missejt biss ftit punti rigward l-Awtorità u x-Xandir f'Malta għax dan mhux il-post fejn wieħed jagħmel analiżi kompleta tas-sugġett. Kien hemm oħrajn qabli li esprimew ruħhom b'tant kompetenza fuq dawn il-punti u li jien ikkonsultajt. Għalhekk naħseb ikun opportun li t-tieni edizzjoni tal-Forum tal-President li se ssir fl-ewwel xhur tas-sena li geġja tkun dedikata għal diskussjoni dwar riformi istituzzjonali u kostituzzjonali, inkluż ix-xandir, biex b'hekk issir diskussjoni approfondita aktar halli jkollna Kostituzzjoni aġġornata li sservi lill-poplu tagħna aħjar.

Nirringrazzjakom.



His Grace Archbishop Emeritus Joseph Mercieca
Blessing the commemorative plaque.



H.E. Dr George Abela, The President of Malta
Signing the Visitors' Book



His Grace Archbishop Emeritus Joseph Mercieca
Signing the Visitors' Book

ANNIVERSARY CELEBRATIONS – RECEPTION 27TH OCTOBER 2011



*Chairpersons of the Broadcasting Authority
Mr Joseph Scicluna; Dr. V. Falzon; Mr Anthony J. Tabone (incumbent); Mr Laurence Mizzi; Prof.
Joseph M. Pirotta; and Chief Justice Emeritus Dr. Joseph Said Pullicino.*



CEO's

Mr. Antoine J. Ellul; Mr Joseph Grima; Mr Pierre Cassar (incumbent); Prof. Kevin Aquilina



Secretaries to the Board

Mr Edgar P. Cassar; Mr Harry Zammit Cordina; Mr Antoine Ellul; Dr Simon Manicolo (incumbent)

ANNIVERSARY CELEBRATIONS – MEDITERRANEAN NETWORK OF REGULATORY AUTHORITIES [M.N.R.A.]



*Mediterranean Network of Regulatory Authorities
Technical Meeting
22nd - 24th June 2011*



*Mediterranean Network of Regulatory Authorities
13th Plenary Meeting
24th – 25th November 2011
Grand Hotel Excelsior*

ANNIVERSARY CELEBRATIONS – VISIT TO H.E. DR. GEORGE ABELA, THE PRESIDENT OF MALTA





ANNIVERSARY CELEBRATIONS – POST OFFICE FIRST DAY COVER



REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2011

**BROADCASTING AUTHORITY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011**

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Statement of the Authority's Responsibilities

The Broadcasting Act, 1991 requires the board members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Authority at the end of the financial period and of the income and expenditure for that period.

In preparing the financial statements, the board members are required to:-

- adopt the going concern basis, unless it is inappropriate to presume that the company will continue in business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relative to the accounting period on the accruals basis;
- value separately the components of assets and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The Authority is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Authority and to enable to ensure that the financial statements have been properly prepared in accordance with the Broadcasting Act, 1991. The Authority is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors' Report

We have audited the accompanying financial statements of the Broadcasting Authority (the "Authority") set out on pages 103 to 115 which comprise the balance sheet as of 31 December 2011, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board Members' Responsibility for the Financial Statements

As also described in the statement of board members' responsibilities on page 98, the board members are responsible for the preparation and fair presentation of these financial statements in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board members, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of the Authority as at 31 December 2011 and its financial performance and its cash flows for the year then ended in accordance the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations for qualifying entities as prescribed in those regulations, and comply with the requirements of the Maltese Broadcasting Act (Cap. 350).

John Abela (Partner) for and on behalf of

Horwath Malta

Member Crowe Horwath International

La Provvida,
Karm Zerafa Street,
Birkirkara BKR1713
Malta

29 March 2011

INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2011

	Note	2011 €	2010 €
Income	3	1,028,390	962,454
Expenditure		<u>(1,053,114)</u>	<u>(1,065,294)</u>
Deficit for the year	4	<u><u>(24,724)</u></u>	<u><u>(102,840)</u></u>

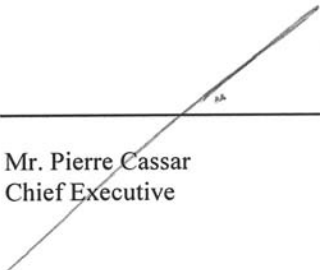
BALANCE SHEET
31 DECEMBER 2011

	Note	2011 €	2010 €
ASSETS			
Non-current Assets			
Property, Plant and equipment	5	<u>2,028,586</u>	<u>2,097,616</u>
Current Assets			
Trade and other receivables	6	270,644	196,243
Cash and bank balances		<u>551,312</u>	<u>548,451</u>
		<u>821,956</u>	<u>744,694</u>
Total Assets		<u>2,850,542</u>	<u>2,842,310</u>
CAPITAL AND LIABILITIES			
Capital and Reserves			
Capital fund	7	2,572,737	2,572,737
Reserve Fund	7	37,270	37,270
Revaluation reserve	8	293,699	293,699
Accumulated reserve	9	<u>(299,424)</u>	<u>(274,700)</u>
		<u>2,604,282</u>	<u>2,629,006</u>
Current Liabilities			
Trade and other payables	10	<u>246,260</u>	<u>213,304</u>
Total Capital and Liabilities		<u>2,850,542</u>	<u>2,842,310</u>

The financial statements on pages 103 to 112 were approved by the members on 20 March 2012 and were signed by:



Mr. Anthony J. Tabone
Chairman



Mr. Pierre Cassar
Chief Executive

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2011

	Capital Fund €	Reserve Fund €	Revaluation Reserve €	Accumulated Reserve €	Total €
At 1 January 2010	2,572,737	37,270	293,699	(171,860)	2,731,846
Deficit for the year	-	-	-	(102,840)	(102,840)
At 31 December 2010	<u>2,572,737</u>	<u>37,270</u>	<u>293,699</u>	<u>(274,700)</u>	<u>2,629,006</u>
At 1 January 2011	2,572,737	37,270	293,699	(274,700)	2,629,006
Deficit for the year	-	-	-	(24,724)	(24,724)
At 31 December 2011	<u>2,572,737</u>	<u>37,270</u>	<u>293,699</u>	<u>(299,424)</u>	<u>2,604,282</u>

CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2011

	2011	2010
Note	€	€
Cash flows from Operating Activities		
Deficit for the year	(24,724)	(102,840)
<i>Adjustment for:</i>		
Depreciation charge	79,349	88,595
Bank interest receivable	<u>(8,763)</u>	<u>(8,781)</u>
	45,862	(23,026)
<i>Working capital changes:</i>		
Change in trade and other receivables	(74,000)	(50,347)
Change in trade and other payables	<u>32,956</u>	<u>78,526</u>
Cash generated from operations	4,818	5,153
Bank interest received	<u>8,362</u>	<u>9,287</u>
Net Cash from Operating Activities	<u>13,180</u>	<u>14,440</u>
Investing Activities		
Payments to acquire property, plant and equipment	<u>(10,319)</u>	<u>(145,185)</u>
Net cash used in Investing Activities	<u>(10,319)</u>	<u>(145,185)</u>
Net movement in Cash and Cash Equivalents	2,861	(130,745)
Cash and cash equivalents at beginning of year	<u>548,451</u>	<u>679,196</u>
Cash and Cash Equivalents at End of Year	11 <u>551,312</u>	<u>548,451</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011**

1. Basis of Preparation

Statement of compliance

The financial statements of Broadcasting Authority ("the Authority") have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSE").

Basis of measurement

The financial statements are prepared on the historical cost basis, except for freehold land and buildings which are stated at revalued amounts.

Functional and presentation currency

The financial statements are presented in euro, which is the Authority's functional currency.

2. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to all the periods presented, unless otherwise stated.

Income Recognition

- (a) Income from Government is recognized on an accrual basis.
- (b) Income from the provision of services is recognised in proportion to the stage of completion at the balance sheet date.
- (c) Interest income from investments is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the item and restoring the site on which it is located. Subsequently expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses, or under the revaluation model, that is at their fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

After initial recognition land and buildings are carried under the revaluation model. Other property, plant and equipment are carried under the cost model.

Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a straight line basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Section 24 of GAPSE or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit or loss.

The depreciation rates charged are as follows:

	%
Buildings	1
Motor vehicles	20
Studio equipment	20
Fixtures, fittings and equipment	10/20
Technical equipment	25
Transmitting antenna	4 - 12

Land is not depreciated.

Impairment

The carrying amounts of the Authority's property, plant and equipment and financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease in accordance with the applicable Section in GAPSE.

The carrying amounts of the Authority's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase in accordance with the applicable Section in GAPSE.

Financial assets and financial liabilities

Trade and other receivables

Trade and other receivables are carried at cost less any impairment losses (refer to accounting policy on impairment)

Trade and other payables

Trade and other payables are stated at their nominal value.

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes.

3. Income

Income represents amount receivable from the Government of Malta as subvention, licences from broadcasting organisations, investment and other income as follows:

	2011 €	2010 €
Government of Malta subventions	587,500	583,000
Licences from broadcasting organisations	401,452	334,023
Investment income	8,763	8,781
Other income	30,675	36,650
	<u>1,028,390</u>	<u>962,454</u>

4. Deficit for the Year

4.1 This is stated after charging the following:

	2011 €	2010 €
Board members' and board secretary's compensation	94,651	94,651
Wages and salaries	626,465	639,837
Depreciation	79,349	88,595
Audit fees	1,600	1,600

4.2 Staff costs incurred during the year are analysed as follows:

	2011 €	2010 €
Board members honoraria	61,757	61,757
Board secretary's salary	32,999	32,894
Wages and salaries	580,830	594,182
	<u>675,586</u>	<u>688,833</u>
Social security contributions	45,530	45,619
Total key management personnel compensation	<u>721,116</u>	<u>734,452</u>

4.3 The average number of persons employed during the year, including board members, was made up as follows:

	2011 No.	2010 No.
Board members	5	5
Operations	29	26
	<u>34</u>	<u>31</u>

Year ended 31 December 2011

5. Property, Plant and Equipment (continued)

5.1 Land and buildings

Land and the transmitting antenna were revalued by an independent valuer on 25 March 1991 and 28 August 1991 respectively on an open market existing use basis.

The carrying amount of land and transmitting antenna that would have been included in the financial statements had these assets been carried at cost less accumulated depreciation and accumulated impairment losses is €1,525 (2010: €1,525).

5.2 Contractual commitments

As at 31 December 2010, the amount of contractual commitments are the following:

The Authority is proposing to issue a tender in 2012 with respect to a 'Monitoring Multimedia Digital Capturing System'. The results of a request for information are being evaluated to enable the Authority to establish a close estimate of the expected cost of the system. Reports have been commissioned to MITA and the tender would require expertise technical knowhow to be properly adjudicated in line with the Authority's needs. The cost of this system which could vary substantially according to the specification's variant is estimated to be €200,000.

5.3 Fully depreciated fixed assets

Fully depreciated fixed assets still in use at the balance sheet date amounted to:

	2011 €	2010 €
Motor vehicles	35,381	35,381
Fixtures, fittings and equipment	343,610	343,610
Studio equipment	186,578	186,578
Technical equipment	128,730	128,730
Transmitting Antenna	145,206	98,162
	<u>839,505</u>	<u>792,461</u>

6. Trade and other Receivables

	2011 €	2010 €
Licences receivable	208,904	171,073
Other debtors	47,835	17,850
Prepayments and accrued income	13,905	7,320
	<u>270,644</u>	<u>196,243</u>

7. Capital Fund and Reserve Fund

These funds have been set up in accordance with Section 26 of the Broadcasting Act, 1991.

8. Revaluation Reserve

The revaluation reserve has arisen from a valuation carried out on property in 1991.

9. Accumulated Reserve

The accumulated reserve represents net accumulated deficit

10. Trade and Other Payables

	2011 €	2010 €
Capital creditors	-	11,996
Accruals and deferred income	<u>246,260</u>	<u>201,308</u>
	<u>246,260</u>	<u>213,304</u>

11. Cash and Cash Equivalents

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	2011 €	2010 €
Cash at bank and in hand	<u>551,312</u>	<u>548,451</u>

12. Commitments and Contingencies

Details of the Authority's commitments at the balance sheet date have been disclosed in note 5.2 to these financial statements.

**SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2011**

**SCHEDULE 1
Income and Expenditure Account
Year ended 31 December 2011**

	2011 €	2010 €
Income		
Government contributions	587,500	583,000
Application fees	13,557	38,484
Licences	279,036	214,672
Rental fees receivable	48,305	35,445
Master Antenna facilities fees	60,554	45,422
Investment income	8,763	8,781
Other income	30,675	36,650
	<u>1,028,390</u>	<u>962,454</u>
Expenditure		
50 th Anniversary expenses	16,248	-
Administrative (schedule 2)	562,095	613,405
Research and communications (schedule 2)	105,781	78,387
Production (schedule 3)	3,043	3,477
Monitoring (schedule 3)	364,067	362,618
Technical (schedule 3)	1,880	7,407
	<u>1,053,114</u>	<u>1,065,294</u>

SCHEDULE 2**Administrative, Research and Communications Expenses**
Year ended 31 December 2011

	2011 €	2010 €
Administrative Expenses		
Members' honoraria	61,759	61,757
Legal advisors' honoraria	5,824	12,933
Salaries	265,671	267,919
Staff training	1,810	1,819
Telecommunications	12,021	13,264
Water and electricity	15,070	24,083
Insurance	7,210	7,307
Stationery	8,005	5,706
Subscriptions and publications	1,954	2,236
International organisations membership fees	2,008	1,800
Repairs and maintenance	15,175	28,156
IT maintenance and support	6,187	4,841
Duty visits abroad	4,119	5,185
Transport	9,894	8,653
Rentals of radio & TV sets	7,128	7,157
Staff health scheme	16,654	15,414
Sundry expenses	8,760	9,078
Auditors' remuneration	1,600	1,600
Legal and professional fees	1,508	5,516
Gharghur site running costs	41,330	56,228
Depreciation	66,080	72,753
Increase in provision for bad debts	2,328	-
	562,095	613,405
Research and Communications Expenses		
Wages and salaries	41,833	39,182
Audience and qualitative research study	36,291	34,456
Seminars and conferences	21,785	-
Public relations	3,414	3,564
Advertising	858	485
Broadcasters' training and support	1,600	700
	105,781	78,387

SCHEDULE 3
Departmental Expenses
Year ended 31 December 2011

	2011 €	2010 €
Production Department		
TV political broadcasts	1,933	-
Depreciation	1,110	3,477
	<u>3,043</u>	<u>3,477</u>
Monitoring Department		
Wages and salaries	344,505	343,718
Purchase of audio tapes and DVD's	7,357	5,380
Staff training	-	1,018
Repairs and maintenance	46	137
Depreciation	12,159	12,365
	<u>364,067</u>	<u>362,618</u>
Technical Department		
Wages and salaries	-	6,855
Repairs and maintenance	672	552
Technical assistance	1,208	-
	<u>1,880</u>	<u>7,407</u>

