

Press Release

t (Press) 020 7984 8121
t (Broadcast) 020 7984 8100
f 020 7984 8272

Conservatives

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Hunt: PSBs must be bolder in their vision for our society

Shadow Culture Secretary Jeremy Hunt will today (Wednesday) set out his vision for the future of public service broadcasting (PSB). He will say:

(Check against delivery)

Intro

When my parents were the age I am now, colour TV had just arrived. There were three channels and Barbara Woodhouse was getting into her stride scaring dogs into obedience on Training Dogs the Woodhouse Way.

Compare that to the 400+ channels we have now.

Ofcom says the average Briton spends almost half his or her waking hours either watching TV, listening to the radio, surfing the internet, playing computer games or talking on a mobile phone.

Most people would agree that the changing nature of media and communications is one of the biggest differences in the world we live in compared to that of previous generations.

As with any big societal changes, this has had both positive and negative consequences. Mobile phones make it safer to call the AA when you have a breakdown. But they also allow happy slapping.

Children spend more time at home in front of screens and less time on family meals, challenging what Robert Putnam calls the creation of social capital. But that same social capital has been enhanced as groups of neighbours set up email contact lists.

When talking about the changing nature of communications, people tend to fall into two camps. One is the "brave-new-worlders" who tend to look to changes in technology and communications with dewy-eyed optimism as the solution to many of the world's problems.

In the other camp are the doom and gloomsters. They focus on the evil purposes for which modern communications can be harnessed. Or the challenges facing families trying to bring up children when screen time is often more compelling than family time.

If forced to choose between the two groups I have always been unashamedly on the side of the optimists. Harold Wilson said he was an optimist, but an optimist who brought his raincoat. That is perhaps how I feel about technology and modern communications. Optimism yes, but tempered by a proper understanding of the risks brought about by rapid change.

A new Conservative approach to public service broadcasting

Today I want to talk about the approach a new Conservative government will take to public service broadcasting in that changing landscape.

Some think that a free market party should not support public service broadcasting at all. We do not have state, taxpayer or licence fee supported public service newspapers or magazines. If the definition

of public service broadcasting is programming that is not in its own right commercially viable, the market already provides plenty. All the major US networks invest in substantial news services, not because of the revenue they generate but as loss-leaders that give credibility to their brands. Even in the UK purely commercial broadcasters like Sky invest in channels like Sky News and Sky Arts.

Those that think Government should have no role in public service broadcasting naturally see the licence fee as their prime target. Licence fee critics, incidentally, exist in all parties. Former Labour Minister Denis MacShane recently described it in the House of Commons as a "regressive tax". Politicians from all traditions would probably say that if we were starting from here, it would be impossible to justify the creation of the licence fee from scratch.

But the fact is it is a system that works.

93% of the population tune in to one or other of the BBC's services every week. Britain is the second largest exporter of TV formats in the world. We are widely respected as offering some of the best quality and the best choice in the world. One is reminded of the French government minister who said "it works in practice. Now how can we get it to work in theory?" Indeed one of the first things President Sarkozy did following his election was to ask whether the French broadcasting system could be more closely modelled on the British.

I want to argue two things today. Firstly that free market principles are much more closely responsible for the success of British broadcasting than widely perceived and we need to understand this when addressing the challenges we face at the moment.

Secondly that public service broadcasting has an essential role for those who believe that a more plural and diverse response to social problems would be more fruitful than the top-down, "money and target" solutions that have become the hallmark of this government.

Why the free market has helped and not hindered British PSB

My starting point is to define public service broadcasting rather more narrowly than simply the output of those organisations which have PSB licences.

I divide broadcasting into two distinct categories: popular television that is commercially viable because of large audiences, and public service television which is intrinsically valuable but unlikely to stand on its own two feet commercially. TV that caters to our needs as consumers and TV that caters to our needs as citizens.

That is not to say that some popular television is not intrinsically worthwhile – it would not be hard to identify the positive social impact created by Coronation Street or the X Factor. But the efforts of policy-makers must surely focus on ensuring the continuation of broadcasting with intrinsic value that would not be supported by the market, as opposed to high quality programmes that we could realistically expect to continue to enjoy under any circumstances.

When people talk about "quality" in British TV, they are typically commenting on the widespread availability and choice in both popular and less commercially viable television. Many countries offer choice and quality in the provision of popular TV. But it is the choice and quality available for non-commercially viable television that makes British TV unique.

Even in troubled times for financial markets, we should not forget the basic free market principle that competition between providers drives up quality and choice. What is unusual about Britain is that successive governments have valued quality and choice as much for non-commercially viable TV as for popular TV. The needs of British people as citizens are arguably more richly served by broadcasters here than anywhere else in the world.

Here I need to do a plug.

Because it is Conservative governments that have been largely responsible for plurality of provision throughout broadcasting history. We licensed ITV in 1955, oversaw the launch of the new satellite channels and cable in the late 1980s, launched Channel 4 in 1982 and five in 1997.

The BBC (also founded by a Conservative government, albeit in 1928) has remained the cornerstone of public service broadcasting provision. It has provided a quality benchmark that is respected the world

over. Without the creative achievements of the BBC over very many years, British broadcasting would not be where it is today.

But few at the BBC would question the vital role other channels have played in spurring creative competition.

Talk to anyone in the BBC, and they will tell you how bad it has been for children's TV since ITV pulled out of daytime provision of it. And how important it is that there is at least some competition with Milkshake from five.

When it comes to news, they will also say how positive it was when Sky launched 24 hour news for the first time in the UK. Few would dispute that competition from Sky and ITN/ITV has played a significant role in spurring on the BBC into becoming probably the most respected news gathering organisation in the world.

The same could be said for documentaries, comedy, drama or sport. Whether it's Dispatches or Panorama, Cranford or Jane Austen, Harry Hill or Ricky Gervais, Football or the Olympics, competition between state funded and commercially operated broadcasters has had a hugely positive impact in driving up quality.

As Ofcom recognises, this choice is popular with viewers, and something they are willing to pay for. It ensures a more diverse range of audiences are reached than would be possible if public service broadcasting were provided through only one channel.

But as competition for advertising pounds intensifies and technology drives convergence between different platforms, there is a real risk that some of those channels will be unable to provide that choice.

Declining advertising revenue and increasing online competition have created particular problems for advertising-funded channels.

Google's advertising revenue in the UK surpassed that of ITV in the first half of this year. Some predict Channel 4 will face a deficit of up to £100m by 2012.

Both ITV and Channel 4 play unique and important roles. ITV invests nearly a billion pounds a year in UK-originated content. Channel 4's legal status means that it is able to play a vital role in providing an alternative platform for public service broadcasting content.

In such a climate it is right to examine whether some of the regulations designed to ensure a level playing field are still appropriate.

It is also right to examine the BBC's competitive impact on the broader commercial market.

This includes not just its impact on other broadcasters, but on other media as well.

Should travel guide publishers be forced to compete with a BBC Worldwide-owned Lonely Planet?

Why should those with hobbies setting up websites have to compete with the BBC's new "passion sites"?

What is the impact of BBC online on newspaper groups fighting falling circulation by trying to reinvent their business model on the internet?

Local newspapers are a vital part of the fabric of small communities throughout the country, and are currently trying to re-invent their business model having lost much of the revenue that used to come from classified sales. As they move online, why should they have to face the additional threat of subsidised competition from the BBC's plans for local video on demand? I don't think they should and I hope the BBC Trust takes a strong stance on this proposal.

This matters because plurality of media and broadcasting provision – especially when it comes to news – is vital to a healthy democracy and open society.

Some of these [issues](#) are being examined in detail by Ofcom as part of its Public Service Broadcasting Review. Ofcom's report gave a stark warning that action is needed if we want to preserve the plural and high quality broadcasting sector we currently enjoy.

Quite understandably attention is now on which solutions will best meet those challenges. I do not want to endorse any individual solution proposed by Ofcom, not least because the market may have made one or more of them redundant by the time a Conservative government takes office.

But I do endorse the underlying analysis behind it, not least the vital importance of plurality of provision for both popular and public service broadcasting.

The role of PSB

But before we decide how to tackle these issues we must decide what society actually wants from our public service broadcasters.

I'm not talking about which programmes should be produced, but something much more fundamental. Namely that when it comes to tackling the major social issues that concern all of us, the media has a role every bit as important and influential as government itself.

I'm not saying television is the panacea to all ills.

And of course in a free society governments cannot and should not in any way direct the media.

But the way the media use the power they have is going to be absolutely critical in whether we are successful in tackling many of our biggest social problems.

Take binge drinking. The University of the West England recently found that 73% of all alcohol references on radio encouraged drinking. That matters, because for better or worse what Chris Moyles says has more impact on binge drinking than the glossiest advertising campaign from the Department of Health, or indeed an alcohol education campaign by Radio 1.

It isn't all bad news. The media can have an equally strong effect in a positive way.

Eastenders' Mark Fowler was the first mainstream soap character to be HIV positive. A 1999 survey by the National AIDS Trust found that most young people learned everything they knew about the illness from watching him deal with his condition. Lisa Power at the Terrance Higgins Trust has said that 'one decent soap episode is worth a thousand leaflets in schools'. HIV has returned to TV drama with Hollyoaks currently tackling the issue – I hope it is as successful as Eastenders was in the 90s.

PSB can do more

Our public service broadcasting needs to raise its game in the 21st century. It can – and should - do more.

Typically public service broadcasters in Britain have tended to see their role as "raising an issue" or "pushing a problem up the political agenda". Jamie's School Dinners is a classic example of this, timed to perfection just before a general election in a way that pressured the government to find £280m in an emergency package to improve school food.

Sometimes they go further, promoting awareness of issues through leaflets and websites linked to programmes. Who do you think you are? and Embarrassing Bodies are good examples of this

But socially responsible public service broadcasters should be more ambitious than simply "raising an issue."

They receive huge public subsidies, both in cash through the licence fee and implicitly through spectrum subsidy and prime positions on electronic programme guides. Surely it is reasonable for broadcasters to take more responsibility for the social impact of their programmes and not just simply place issues on the table for debate.

Taking social responsibility is not the same as taking political responsibility for addressing the great challenges of the day.

Political responsibility must rightly rest with politicians.

It is not the job of McDonalds to solve the obesity crisis.

Nor is it the job of British Airways to solve the problem of climate change.

But what those companies do will have a huge impact on whether as a society we are able to solve these problems. Likewise our broadcasters have a huge impact on the progress we make in tackling the major social problems of the day through the way they inform and shape attitudes and beliefs.

This is not to say they should be doing more “worthy” programmes with tiny audiences. We must recognise the age-old dilemma for public service broadcasters, namely that just as audience-chasing for the sake of it does not work, nor too does churning out endless worthy programmes that are watched by no one.

PBS in America fails to deliver its public service objectives not because of the quality of its programmes but because its audiences are tiny. An effective public service broadcaster needs to deliver both public service content and get the audience to see it.

That has been the core strength of British PSB for many years. One we should not sacrifice.

But by the same merit, those more “worthy” programmes that are produced should not be a fig leaf for a lack of social responsibility in other output.

It’s not good enough for Channel 4 to say they are doing their bit with a Dispatches programme on alcohol abuse like Drinking Yourself to Death when 18% of the screen time in Hollyoaks was accounted for by alcohol references.

Nor can five claim to be doing their bit with Diet Doctors Inside Out when the gym instructor in Home and Away is seen with alcohol in 50% of his scenes.

I’m not saying there should be no alcohol references in any soaps. To deliver large audiences, programmes need to reflect the world in which we actually live and not some Truman Show fantasy of what we would like it to be.

Nor do we want to fall into the trap of co-opting broadcasters into social engineering.

But just as it would be wrong in a plural and democratic society to require broadcasters to produce programmes that meet government objectives and promote positive social behaviour, so it is also wrong for broadcasters to produce programmes that legitimise negative social behaviour. That is why the BBC was quite wrong to take the decision to broadcast the offensive phone calls made by Russell Brand and Jonathan Ross to Andrew Sachs.

We are proud to live in a free society.

In societies such as ours, people are rightly subject to plural influences, whether from family, school, media or Ministers. Which is why public service broadcasters need to exercise responsibility with the power they hold.

We have talked before of “Responsibility Deals” between the government and business sectors. This is a perfect example of where such a deal might operate. In return for the lighter touch regulation that broadcasters say they desire, a Conservative government would expect them to abide with agreed codes for socially responsible broadcasting. By doing this I believe we can harness the power of a subsidised media sector in a way that avoids both state control and heavy-handed regulation.

The biggest gap in PSB

Let me move on to one final area where public service broadcasting needs to raise its sights.

Ask any visitor to the US what the biggest difference between UK and US television is, and they are likely to say it is the lack of local TV.

Birmingham Alabama has a population of 230,000 and 8 local TV stations. Birmingham in the UK, four times the size, has none. London Ontario has a population of 355,000 and 2 local TV stations. Our London, with 22 times the population, has none.

Does this matter? I believe it does. Indeed I believe that the lack of local TV in Britain is the biggest single failing of the British broadcasting industry.

We live in an age when politicians on all sides are paying lip-service to "localism." This is not simply about the effectiveness of local councils or the responsiveness of health and education services to local needs. It is also about people's wish to identify themselves with the area in which they live.

TV is one of the most powerful ways of communicating that we have. A lack of local TV leads inevitably contributes to a lack of local identity.

But local TV is not just about strengthening communities. It also provides an advertising channel which supports the growth of local businesses. It provides an outlet for local politicians and civic leaders to articulate and debate policies affecting an area. It is part of the glue upon which a true localist culture depends.

The popularity of local radio stations and local newspapers – in an era where national newspaper sales are in decline – further underlines this point. Yet what passes for "local" TV in Britain is in practice regional. The Anglia TV region, for example, covers a population of more than four million.

Indeed I would argue that the current debate about regional news misses the point.

Very few people identify with their region. We know that from the disastrous experiment with regional assemblies.

But they do identify with their city, town or county. So whilst regional news stories are often of little interest, local news stories are hugely important.

Of course the broadcasting economy is different in a large country as spread out as America. Nor should we necessarily hold up local TV stations in the US as beacons of quality. And we have had some interesting experiments in local TV in the UK as well.

But with only one of our top 10 cities able to say it has its own local TV station, should we not be asking whether we can do better? We have some of the best TV in the world. Could we not also have some of the best local TV in the world?

A Conservative government will encourage the creation of local TV stations by ensuring media ownership rules do not prevent local newspaper groups from investing in local television in their area.

We will urge Ofcom to be proactive in ensuring that spectrum allocations do not unwittingly prevent the emergence of a local TV sector.

And we will encourage local authorities to consider the community benefits of supporting local TV stations, as has happened so successfully in Kent.

Conclusion

It has become a cliché for politicians to complain about the power of the media. But mine is an optimistic vision of what that power can achieve.

Most countries only have one dedicated public service broadcaster. We are lucky to have two, with contributions from many other channels as well. This is supported by the largest independent production sector in the world, along with the largest advertising industry in Europe.

Our wealth of provision makes us perhaps the only country in the world able to have such an informed debate about the role we want high quality PSB to play in a rapidly changing communications environment.

But we must not allow our historical success to breed complacency.

The world is changing. If we are to preserve the values and virtues of British broadcasting, we need to be prepared to embrace change too.

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For more information please contact Sue Beeby on 07838160292