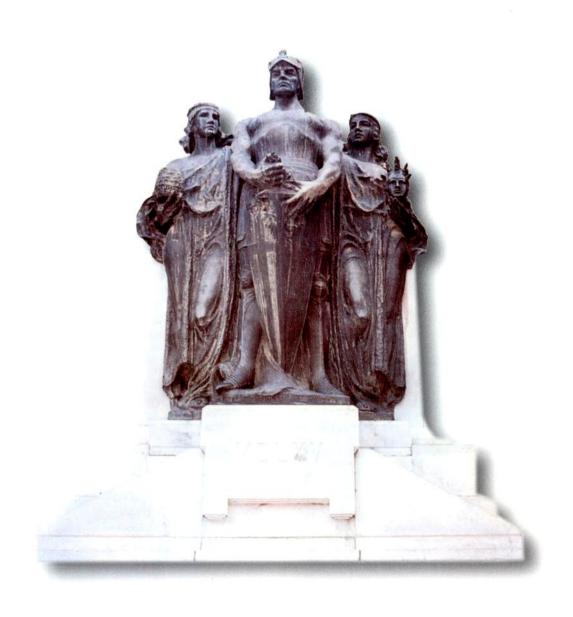


# Broadcasting Authority - Malta

**ANNUAL REPORT 1993** 



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# MEMBERS OF THE AUTHORITY

on 31 December, 1993



CHAIRMAN
Dr Joseph M. Pirotta B.A., Ph.D. (Reading)

Dr Joseph Pirotta holds a Ph.D. in politics from the University of Reading and is a senior lecturer in the European Documentation and Research Centre at the University of Malta. He is the author of a three-volume work Fortress Colony: The Final Act which describes and analyses the complicated political power game played by party, Church and trade union leaders during the years 1945-1964.

Dr Dominic Fenech B.A.(Hons), D.Phil.(Oxon).

Dr Fenech is a Senior Lecturer in Modern and Contemporary History, and Co-ordinator of Contemporary Mediterranean Studies at the University of Malta.



#### Prof Joe Friggieri D.Phil.(Oxon),Ph.D.(Milan),B.A.

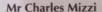
Professor of Philosophy at the University of Malta, Prof Friggieri is a poet, playwright, theatre-director as well as producer of cultural programmes on radio and television. In 1993 he was awarded the Government's Gold Medal for Literature for his book Kadenzi.





Mr Lino Mintoff B.A.(Gen), B.A.(Hons) Soc.

Mr Mintoff holds a senior management position with a private firm. He was very active in the theatre and also produced a number of television programmes. He was Vice-Chairman of the Mediterranean Film Studios before his appointment with the Broadcasting Authority.



A Journalist by profession, Mr. Mizzi also worked as a senior advertising executive and in public relations. At present, he is the managing director of a research and development reprographic studio in the print media.

He is also a practising journalist.







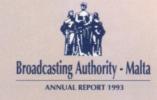


Published in 1994 by the Broadcasting Authority National Road, Blata I-Bajda, Malta Telephone: 247908, 221282, 223289 Fax: 240855

Reprographics by Ritescan Co. Ltd. - Malta. Printed by Offset Press Ltd. - Malta.

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### **INTRODUCTORY**

The Maltese broadcasting system which emerged since the introduction of pluralism in 1991 has several tasks to perform. It should, as one of its main purposes, provide varied, well balanced programme services by both publicly owned and privately owned radio and television stations which have been allocated the use of scarce public assets in the form of radio frequencies and television channels.

Diversity can be assessed in several manners. It could be evaluated according to the number of stations or the number of media owners or controllers. It could also be assessed according to the editorial content of the broadcast output. The latter method is the most logical criterion but it is also the most difficult to apply since programme schedules alter from time to time and have been known to vary in accordance with economic and financial constraints.

The number of media owners is a more sensitive indicator of diversity of information since it lays stress on autonomy and structural independence among media controllers which, without being in a position to guarantee it, constitutes a minimum condition of the diversity of choice offered to the public.

During the course of the year under review, an important amendment to the Broadcasting Act was effected to clause 10(5) which, in its original version, limited one broadcasting service to one broadcasting licensee. This, in effect, meant that a radio licensee could not obtain a television licence without first relinquishing control over the company which owned the radio service - a constraint which was subsequently removed. This development in broadcasting legislation will be dealt with in more detail in a subsequent section of this annual review.

By the end of 1993 the Maltese broadcasting system had two main sectors -the publicly owned and supported Public Broadcasting Services Ltd with its one television channel and two radio frequencies, and eight fully operational private radio stations. The latter are private only in the sense that station facilities are owned by the



companies which operate them on a commercial basis. They are public in the sense that they receive the right to use public assets, are subject to public regulation and have the responsibility to perform a public service. They are inextricably involved in the Maltese broadcasting system, depending on public franchise to operate and responsive to public direction for their performance.

The local broadcasting system also includes a cable television service which, although still in the course of construction, has a rapidly expanding network of subscribers who receive an increasing number of terrestrial and satellite delivered channels.

An audience survey carried out in 1993 established that most respondents listened to the radio fairly frequently with 80% tuning in to radio broadcasts on a daily basis. In so far as television was concerned, 95% of persons interviewed watched television of whom 92% watched TVM. Respondents also claimed that the time spent watching television varied from one to two hours (24%) to three to four hours (16%) daily.

Whilst the development of radio services<sup>1</sup> is now almost complete, the expansion in television is just starting and, at the end of the year, the Authority was considering five applications from prospective private commercial operations for the television franchise<sup>2</sup> involving the allocation of channels in the UHF band.

During the period immediately following the advent of pluralism, physical growth and development were primary concerns. As a result, some private broadcasters gave scant attention to programme policy which the Authority - at the time heavily preoccupied with licensing problems - had asked them to follow.

The Authority believes that the time has come when attitudes should change and new priorities established. The Authority is of the opinion that, for both public and private broadcasters, the primary emphasis must be placed on programming and priority must be given to the development of more varied, more balanced and better programme fare by all the stations concerned.

The Authority expects the public sector, the PBS stations, to take the lead. Too much time has already been lost in hiving off the old Xandir Malta set-up from the Telemalta Corporation and in establishing PBS Ltd as an entity with its own staff and

resources. In the initial stages of its formation, PBS could not and, in fact, did not lay the essential emphasis on programme performance. There was little, if any, development of long term programme plans; the programmes for the following week or the following month had to be produced or bought to fill the current schedules and there was hardly any consultation with the Authority - as required by the Broadcasting Act - despite its repeated pleas and representations for the setting up of consultative machinery which would facilitate the process of consideration and approval of the schedule.

PBS is regulated by licence conditions laid down by government. However, a clause in the licence provides for its eventual replacement by a contract to be entered into between the Authority and PBS. The Authority expects to be in a position to negotiate the terms of a new contract during the coming year.

The regulation of the private broadcasting sector is a different matter altogether. Licences awarded to private broadcasters include a promise of programme performance which was voluntarilty drawn up by the private broadcaster at the application stage. This was subsequently incorporated in the licence to become an integral part of this document which regulates performance.

The Authority hopes that licence-winning promises will not be quickly forgotten for these are the fundamentals of an agreement which a company must observe.

A licence for a UHF television service was issued by the Authority on 25 February 1994 to Rainbow Productions Ltd, a company wholly owned by the Malta Labour Party.



Both the University and the Social Action Movement are due to launch new radio services by mid-1994. The
two organisations had combined their efforts and were granted a joint nationwide educational and cultural radio licence.

### PROFILE OF THE YEAR

The year 1993 has been a busy one with difficulties associated with the introduction of pluralism in television as the dominant activity. Doubtful programme standards resulting from station connections with political interests or growing competition to attract audiences were other facets which engaged the Authority's attention. Moreover, half-way through the year, the Authority itself went through a complete change in its composition.



### The Broadcasting Authority

Established in 1961, the Authority is a Constitutional body consisting of a Chairman and not less than four other members appointed by the President acting on the advice of the Prime Minister given after consultation with the Leader of the Opposition.

The Authority's main function as defined by the Constitution is that of ensuring the preservation of due impartiality in respect of matters of political or industrial controversy or relating to current public policy. It is also the Authority's duty to fairly apportion broadcasting facilities and time between persons belonging to different

political parties.

In addition to these Constitutional functions, the Broadcasting Act, 1991 empowers the Authority:

- (a) to select and appoint broadcasting licensees and contractors who will operate radio and television services throughout Malta; and
- (b) to monitor the performance of the stations in terms of legal and licence requirements.

The onus for carrying out these functions is vested in the Authority which at the end of the year under review was composed as follows:-

#### Chairman

Dr Joseph M. Pirotta, B.A., Ph.D.(Reading)

#### Members

Dr Dominic Fenech, B.A.(Hons.)D.Phil.(Oxon)
Prof Joe Friggieri, B.A., Ph.D.(Milan), D.Phil.(Oxon)
Mr Lino Mintoff, B.A.(Gen), B.A.(Hons) Soc.
Mr Charles Mizzi

The present members' appointment is for a period of two years with effect from 22 July, 1993. It is worth recording with satisfaction that the Board was appointed following full agreement on its composition between the Prime Minister and the Leader of the Opposition.

The previous members of the board who were responsible for the Authority's activities during the earlier part of the year, were:

#### Chairman

Mr Laurence Mizzi, S.Th.Dip.

#### Members

Mr Joseph J Camilleri, B.A., M.A., A.I.E.(Lond)
Dr Austin Sammut, B.A.(Hons.), LL.D.
Mr Joe Sammut

Prof. Kenneth Wain, B.A.(Hons.)(Lond), M.A., Dip. Ed.(Lond), Ph.D.(Lond)



Members of the Authority are drawn from different sectors of activity broadly representative of cultural, managerial and journalistic aspects of Maltese society. Although members do not represent any political or other interests, the method of their selection results in an even political balance representative of the broad political spectrum in the country.

During 1993 the Authority met in formal session on 38 occasions dealing with a variety of matters which ranged from programme complaints to station licensing. Direct meetings with representatives of political parties, other constituted bodies and applicants for radio and television franchises were also held.

At one of its early sessions soon after its reconstitution in July 1993, the Authority discussed and approved a set of standing orders to regulate the conduct of business and discussions. These standing orders are reproduced at Appendix I of the Report. Notwithstanding this formal procedure meetings have been invariably conducted in a cordial manner and decisions reached through consensus.

Reference is made in the first part of this section of the Report to the method of appointment of the Chairman and members of the Authority. A White Paper issued by Government in November 1993 hints at possible changes in the Constitutional provisions relating to the appointment of the Authority.

The Authority believes that the constitution, size and membership of the public authority charged with the control, supervision and direction of the Maltese broadcasting system should be determined by the functions it must perform. Thus, while the different political view points should be represented, the essential qualification for all members - in addition to particular skills or experience - should be a deep concern for and understanding of the national purposes that the Maltese broadcasting system should promote and serve.

The White Paper also hints at the possible future revision of the Authority's functions. Apart from the fact that the broadcasting media in the 90's are radically different from what this sector was limited to in the 60's, one must also take into account the change in public attitude towards broadcasting and the need to avoid any possibility of conflict arising from Constitutional requirements and the provisions of the Broadcasting Act, 1991.

In an effort to stimulate public discussion on the subject, the Authority planned to organise a seminar to explore public attitudes towards balance and impartiality in broadcasting.<sup>1</sup>

#### **Staff and Facilities**

The physical facilities and staff available to the Authority during 1993 were inadequate for the discharge of its duties. This was mainly due to two factors: delay in the start of construction work on the new studio and office building project brought about by late approval of building plans, and non-recruitment of essential staff due to late approval of revised staff salaries aimed at attracting qualified and motivated personnel.

The Authority is legally empowered to employ any staff members "as it may deem necessary". However, the terms and conditions that it may offer, are by law required to be "comparable with those of employees in the service of the Government and shall be established by the Authority with the concurrence of the Prime Minister".



The Authority's Staff at the end of 1993.

Acting within these constraints, the Authority submitted a revised salaries and grading structure for its staff hoping to launch a recruitment drive early in 1993 for which funds were available. A detailed report compiled by management consultants accompanied by definite recommendations were first forwarded to Government in December 1992. Discussion between Government and the Authority were held in April 1993 which led to a revised scheme being submitted in July. Final approval was forthcoming in November 1993 by which time it was too late to think in terms of a recruitment effort during the year under review<sup>2</sup>.

Under the new arrangements, the Authority's grading structure is divided into six categories each dealing with specific functions and grouping together - for salary purposes - personnel with the same level of responsibility although performing different tasks.

The Authority has extensive duties and powers under the present Broadcasting Act. With a full complement of qualified and trained staff, the Authority hopes to be in a position to apply adequate control, stimulation and direction both to the public and private broadcasting sectors for which it is responsible.

The office building at Blata I-Bajda which has accommodated the Authority since 1971 is clearly inadequate for present-day requirements which should include television and training studio space as well as more room for offices and technical support. Apart from these major needs, the Authority should have more access to modern facilities such as 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 building plans. The Authority expects to issue or call for tenders early in 1994 in connection with the structural phase of the project. This will be followed by mechanical and electrical works leading to completion of the building by the middle of 1995. A provision of Lm250,000 has been inserted in the Authority's estimates of capital expenditure for 1994.

#### The Future of Television

Last year's annual report made reference to the Authority's position in so far as the extension of pluralism to television broadcasting was concerned.

For the last two years, the Authority had been engaged in providing opportunities for the development of radio. This it could do because the Government, after it had itself given out temporary licences, had assigned to the Authority a number of frequencies "for use by licensed private nationwide broadcasters." In television, the situation was different. Not only were no channels placed at the Authority's disposal for eventual allocation but there were also clear indications in the Broadcasting Act which prevented the Authority from taking the initiative in this matter.

In February 1993, the Malta Labour Party formally applied to the Authority for the extension of its radio licence to cover also television broadcasts. The Authority replied that it



could not meet the party's request since it did not have any television channels for allocation. On 22 February 1993, Government assigned to the Authority UHF channels 21 and 29 "so that the Malta Labour party's request could be considered on its merits" and "for use in accordance with broadcasting legislation." At the same time, the Prime Minister wrote to the Leader of the Opposition asking him to propose amendments to the anti-trust provisions in the Broadcasting Act which, as these then stood, prevented the Malta Labour Party, who was already in possession of a radio licence, from obtaining another licence.

When these developments became publicly known, another five organisations wrote to the Authority expressing their intention to operate a television broadcasting service. These expressions of interest came from the Nationalist Party; Grima Communications Ltd; Smash Recordings Ltd; Eden Leisure Group - all four organisations were already involved in the operation of radio stations - and Micallef Enterprises Ltd.

After informing applicants that the Authority was not yet in a position to consider a call for applications for the issue of television licences, the Authority requested its technical consultants (the Wireless Telegraphy Department) to report on the actual state of usage of channels 21 and 29; the reception and channel interference situation between Malta and Italy and the preparation of technical guidelines for future use by UHF television station operators. Meanwhile, the Malta Labour Party increased pressure on the Authority to issue a licence. Correspondence and legal protests were exchanged with the Labour Party insisting that the Authority was infringing the party's fundamental right to freedom of expression guaranteed by the Constitution and the Authority rebutting these allegations while claiming that it was acting in a legal manner and in the best interests of prospective TV licensees.

Two important developments occured simultaneously in June 1993: Parliament unanimously approved an amendment to section 10(5) of the Broadcasting Act thus removing the main legal obstacle and making it possible for the Labour Party, and for other organisations who were already in possession of a radio licence, to become eligible for a television licence. In fact the amended section now allows an organisation, person, or company to be editorially responsible for not more than one radio service and not more than one television service. The other development was in the form of written advice from the Authority's technical consultants stating that the two assigned channels were subject to varying degrees of interference from Italian stations Canale 5 and TVR Sicilia. This interference was confirmed through local testing and prevented the two channels - the only ones available to Malta - from being used locally for nationwide coverage.

Further efforts were made by the Authority to demonstrate its willingness to make it possible for private commerical television to operate in Malta. Measures taken included a letter to the Prime Minister advising him of the impasse that had been

reached and urging action with the Italian authorities to resolve the problems that prevented the use of channels 21 and 29. Meanwhile, a call for applications for television licences was forwarded to Government for approval in terms of the law. These steps did not affect the Labour Party's attitude towards the Authority which was



Dr. J.M. Pirotta, the Authority's Chairman with PBS Chairman, Dr. Philip Farrugia Randon.

accused of conniving with the Government with the aim of denying television facilities to the party. It was also repeatedly claimed that the Labour Party was being unfairly treated by the Public Broadcasting Service.

The Authority was reconstituted on 22 July 1993 and the new Board, after assessing the situation, decided to renew the Authority's attempts to find a solution.

As a first measure, it was agreed to issue a call for applications for television licences. Government was also requested to clarify its position which resulted in a clear declaration that Government was in favour of extending the principle of pluralism in broadcasting to television. Technical problems both with regard to suitable channel availability and transmissions from the Gharghur site were re-examined. It was agreed between Government and the Authority that the latter would estimate the number of channels required and Government would react positively and quickly to requests for further progress in the matter.

Although the Malta Labour Party commenced unauthorised television test transmissions on UHF channel 43 on 20 August, the Authority continued with its plans and explained its actions and intentions at a Press Conference held on 24 August. In fact the Authority issued a public call on 7 September 1993 requesting applications for licences to operate wireless colour television services.

The application form (reproduced at Appendix II) included specifications which





The Authority meets its broadcasting licensees.

laid down the nature of the service to be provided as well as the minimum local programming requirement, the minimum number of daily transmission time and brief guidelines about applicants' expected management and staff structure, financial viability and technical aspects. Under normal circumstances, licences would be valid for a period of eight years.

By the closing date, five organisations had submitted their proposals for licences to operate commercial television services in the UHF band. These organisations were: Rainbow Productions Ltd (a company wholly owned by the Malta Labour Party which was already responsible for Super One Radio); Smash Recordings Ltd (owners of Smash Radio); Grima Communications Ltd (owners of Live FM); A.B. Holdings Ltd and Dolmen International s.r.l. (a partnership between Maltese and Italian business interests) and Belmont Company Ltd which is Gozo based.

The process of assessing the applications began immediately and followed the now familiar pattern of having the proposals scrutinised under four main aspects: programming, legal, financial and technical. It was evident from the beginning of the examination process that apart from the usual difficulties encountered through insufficient information supplied by applicants, the major problem was of a technical nature.

The Authority's transmission facilities for both television and radio are located at Gharghur which is also the site designated in the Broadcasting Act from where UHF transmissions are to originate. However, a series of tests revealed that unless trans-

mitter power is limited to 100 watts the masthead amplifiers (boosters located on individual aerials to facilitate reception of Italian television stations) in a number of areas are liable to be overloaded by UHF transmissions from Gharghur.

By the end of the year under review, the Authority was awaiting a detailed technical report on possible alternative solutions to this problem as well as the outcome of further representations which the Government had made with Italian authorities to clear two television channels which had been internationally assigned to Malta by the Stockholm Convention<sup>3</sup>.

Pluralism in Maltese television does not depend solely on how the signals are produced and transmitted; it is what the signals carry that really matters. For this reason the Authority insisted that greater attention must be given to programming which must improve on what we have now for television programming exerts an influence on the future quality of the Maltese way of life. This imposes a heavy responsibility and offers exciting opportunities which should be taken seriously by both public and prospective private broadcasters.

#### The Development of Radio

1993 saw the completion of the licencing exercise, commenced in 1991, through which nine VHF/FM stations were set up. The whole radio spectrum in Malta consists of 11 radio services two of which are state owned and operate as part of the PBS network while the other nine stations are in the private commercial sector.

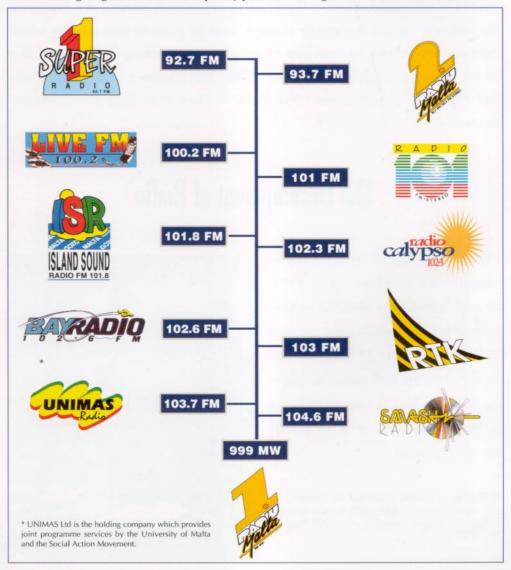
Former Authority Chairman, Mr. Laurence Mizzi presents broadcasting licence to Mr. Jimmy Magro, Managing Director of Super 1 Radio.



An interesting development took place during the year culminating in the issue of a licence to UNIMAS Ltd. This company merges the interests of the University of Malta with those of the Social Action Movement both of which had submitted applications for radio broadcasting licences.

Following exhaustive negotiations between the Authority and the two organisations, 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 FM frequency 103.7. The company's promise of programme performance would include both educative and educational programming. In fact, the programme schedule will feature language courses and University diploma courses as well as discussions, current affairs, programmes on music and the arts, sports and news.

The following diagram shows the frequency position relating to nationwide radio services:-





The University and the Social Action Movement are presented with their broadcasting licence.

The two services would jointly broadcast for 15 hours daily and most of this will be speech programming with a varied content aimed at the various social strata of the Maltese community. The programme services for which UNIMAS Ltd was granted a licence are due to become operational by May 1994.

The Broadcasting Act provides for the issue of licences to community radio operators. These services have a limited range of reception which must not exceed a radius of 2.5 kilometres from the point of transmission. Mainly due to this restriction, these radio services have not proved to be





An experiment in Community broadcasting - "Radju ghar-Restawr" prepares to broadcast.

popular. In fact the only such licensed service - Radio Rona - which began operating on 15 April 1993 closed down after two months. This was a regular service embarked upon with much enthusiasm but, perhaps, similar experiments in future might be entered into with care and greater preparations.

On the other hand, a different version of the community radio experiment - an ad hoc service to cover particular events or activities - was quite successful. "Radju ghar-Restawr" u "Radju ghall-Providenza" were two such services which were granted a licence to function during a limited period of time in November and December 1993. Both were connected with charitable activities. The former collected funds for the restoration of part of the facade of Mosta Church and the latter raised funds in aid of Id-Dar tal-Providenza at Siggiewi. Both were quite satisfied with the result of their efforts.

Until the beginning of the 1990's when pluralism was introduced in radio broadcasting, radio had been relegated to a very secondary role. At the time Xandir Malta, as PBS was previously known, was providing two national services: Radio Malta I which carried most of the information programmes and Radio Malta II mainly a music service with elements of popular entertainment. The two networks broadcast for 34 programme hours daily.

The introduction of private commercial services radically changed the radio scenario. By the end of the year, ten stations were operating for a total of 228 hours daily. Several private stations concentrate on events of local interest. Some of them have developed speedy information services which may, at times, seem over-excited and excessive. They are in close touch with their audience using telephone communications extensively. Unfortunately, there were occasions when some phone-ins transgressed the requirements of impartiality and good taste.

Having recognised the vitality shown by private radio stations, it must also be said that in several cases radio has become a mere machine for playing popular music with interruptions to carry advertising. The Authority invites radio licensees to consider the promise of performance on the basis of which licences had been issued. The Authority is not prepared to accept any departure from these programme promises neither will it tolerate any lowering of standards or decrease in variety of programming.

#### **Programme Standards**

The previous section of the Report comments about the considerable increase in programme services. However, this area of greater choice rather than diminishing the need for regulation has increased the necessity for broadcasters, particularly those who may be new to this field of communication, to exercise a greater degree of responsibility. The Authority is required by law to maintain programme standards which are generally acceptable to the community and, in the light of its obligations, it is empowered to draw up programme codes. The first LINII GENERALI LI IRIEGU X.XANDIR TA' PROGRAMMI TA' GRAJHET KURRENTI such code relating to current affairs programming was issued in 1993 and GUIDELINES ON CURRENT AFFAIRS PROGRAMMING ON ALL-BROADCASTING is reproduced in the Authority's previous Annual Report. The code provides guidance on such matters as freedom of expression, deals extensively with issues

Another code which is in the course of preparation deals with general programming and, as required by section 20 of the Broadcasting Act, attempts to provide guidelines on such matters as violence, good taste and decency and other matters which might particularly affect children and young persons.

emphasises staff responsibility.

relating to balance and impartiality and

During the course of the year under review, the Authority was concerned that some programmes broadcast on certain radio services verged on defamation and vulgarity. Reports brought to the Authority's attention showed that people were offended by the use of language which is not suitable for the media. The action taken by the Authority at the time served notice on all stations that such excesses would not be tolerated and that standards of programming must be improved.

The Authority's family viewing policy was put into effect some time ago. Its aim is to ensure, so far as possible, that no material unsuitable for children is broadcast at times when large numbers of children are known to be watching television or listen-



The Authority presenting its Current Affairs programme guidelines at a Seminar for news-room personnel.

ing to radio. In the case of television, the policy assumes a progressive decline throughout the evening in the proportion of children present in the audience. It is also assumed that from 9 p.m. onwards, parents may reasonably be expected to share responsi-

bility for what their children are permitted to watch. Programme unsuitability for family viewing covers such matters as violence, scenes of extreme distress, explicit sexual behaviour and bad language.

In its efforts to maintain and improve programme standards, the Authority is well aware that good broadcasting does not come into being either by prohibitions or restrictions. Good quality programming is above all achieved by the broadcasters themselves. The standards they aim at should in the long run dictate the quality of service to which the Maltese audience is entitled.

#### **Broadcasting Conference**

On 11 June 1993, the Authority organised a broadcasting conference to discuss *The Effects of Pluralism in Broadcasting*. This well attended one-day event which was held at the Malta Hilton explored the various facets of local broadcasting and the effects which pluralism in this vital sector of information had on Maltese society.

The conference in which nine speakers took part was conceived in such a way that participants would have the chance to examine the operation of the public broadcasting services after the end of their monopoly status as well as the difficulties with which private broadcasters were faced in the competitive climate that had developed since pluralism became effective.



The General Secretaries of the Nationalist Party and the Malta Labour Party together with the former Chairman of the Broadcasting Authority.

lighted through the participation of the General Secretaries of the Nationalist Party and the Malta Labour Party. Alternattiva Demokratika provided the critical aspect by presenting its case for complaints against the broadcasting media. The conference was concluded by the Minister responsible for broadcasting, Dr Michael Frendo, who elaborated on Government broadcasting policy as outlined in the National Broadcasting Plan.

This conference, the first of its kind to be held in Malta, was favourably commented upon in the Press and demonstrated the necessity for self-criticism and dialogue in matters which responsible for broadcasting.

The conference also reviewed the need for and the effects of audience research and also examined the available sources of advertising revenue. The political element which always prominent in Maltese broadcasting was high-



The Hon. Dr. Michael Frendo, Minister formerly

affect the community. The Authority has already decided that this experience will be



A section of the audience attending the broadcasting conference.

followed by other similar activities, possibly on an annual basis.

The procedings of this conference are being prepared for publication.

Lawrence Zammit - MISCO Director.

#### Speakers at the Conference



Joe Azzopardi - P. R.O., Alternative Demokratika.



Victor Formosa - Manager, Bay Radio.



Roland Flamini - PBS Managing Director.



Joe Brockdorff - Managing Director, BPC International

#### **Complaints**

During the year, the Authority was aware of 43 complaints (35 in 1992) 40 of which were in connection with the news or current affairs programmes broadcast on TVM. Apart from the news which attracted 18 complaints, the series of programmes *Dahrek mal-Hajt* broadcast during the Winter and Autumn quarters of 1993 drew most of the other representations. These originated from the Malta Labour Party (alleging lack of balance); Alternattiva Demokratika (claiming lack of representation); the General Workers' Union; Mr Lorry Sant; the Malta-Cuba Friendship Society; Mr Joe Grima and others who alleged unfair representation and treatment. As far as the Authority was aware, there were also three other complaints against Super One Radio.

According to the procedure for dealing with complaints, these are to be addressed in the first instance, to the station on which the 'offending' programme was broadcast. Recourse to the Authority could be had if complainant is not satisfied with the station's reply. This procedure was mainly followed but the Authority observes that on some occasions, PBS and Super One Radio did not provide any explanation of their actions despite being pressed to do so by the Authority.

The following table shows the source and number of complaints.

Source	Number of Complaints	
Nationalist Party	1	
Malta Labour Party	17	
Alternattiva Demokratika	8	
Trade Unions	3	
Other Organizations	8	
Individuals	6	
TOTAL	43	

When complaints are reviewed the Authority considers a report from its staff on the matter and, if necessary, listens to a playback or views the news item or programme in question.

After careful deliberation, the Authority, in eight instances, upheld the appeals submitted to it and, whenever possible, action was taken to provide redress.

During the first half of the year, the Authority carried out an internal exercise to determine whether a slant existed in programmes broadcast by PBS. This followed a period when criticism levelled by the Malta Labour Party was particularly heavy. The position was examined from different aspects and a detailed report was produced which was thoroughly discussed by the Authority. The Authority came to the conclusion that, on the basis of the evidence presented, it did not appear that there was any notable slant in favour of or against any party.

The Authority regularly monitors all news bulletins. The statistical information included at Appendix IV of this Report reveals that 48% of all local news items broadcast during 1993 dealt with either governmental, party political or trade unionistic activity. This shows a slight increase over the comparable figure for 1992 which stood at 45.5% of all local items for that year.

This seminar was organised by the Authority on 18 February 1994. The key-note speaker on this occasion was Dr Massimo Fichera, the Director-General of Euronews.

Public applications to fill various vacancies in the Authority's financial, technical and programme production sectors were issued in February, 1994.

A licence was issued to Super One Television on 25 February, 1994. The station would operate on channel 29
using a transmitter power of 100 watts and a system of repeaters to achieve nationwide coverage.

### POLITICAL BROADCASTING



The Prime Minister answers questions during a Press Conference

Broadcasting is an important source of news and information for television viewers and radio listeners. Broadcasters also regard it as important for their audience that politicians should have access, at clearly specified times, to the media. These two factors combine to create an ideal situation where controlled political broadcasting could be of benefit to the country.

#### **Party Political Broadcasts**

It is often thought that party political broadcasting is dull and unimaginative and that viewers and listeners will switch off whenever they happen to encounter one of these broadcasts. This is really not the case. Audience research indicates that people actually believe that such broadcasting should take place and that they regard these programmes as an important source of news.

In October 1993, the Authority launched another series of party political broadcasts which covers the period: November 1993 to June 1994. Following meetings between the Authority and the political parties represented in Parliament, it was



In October 1993, the Authority launched another series of party political broadcasts which covers the period: November 1993 to June 1994. Following meetings between the Authority and the political parties represented in Parliament, it was agreed that the arrangements for the 1993-94 series would differ radically from those that preceded it. These are some of the innovative features:

- \*Broadcasts would not be held in accordance with a fixed calendar but would be requested by the parties whenever a particular issue arises which would demand the need for them.
- \*Chairpersons regulating these programmes would participate actively to ensure lively and informative discussions.
- \*The Press and broadcasting media would be given a more participatory role which should help in stimulating discussions in the general public interest.
- \*Party Productions can be produced in varying durations ranging from 5 to 10



Minister John Dalli and Opposition spokesman Lino Spiteri taking part in a debate with Press representatives.

minutes to suit the particular requirements of the party concerned.

\*For the first time in a party political broadcasts series the Authority offered air-

The Authority made available just under 900 minutes of airtime for allocation to the parties in proportion to their parliamentary strength. This resulted in the following programme distribution:

	Nationalist Party	Malta Labour Party
Press Conferences	2 x 60'	2 x 55′
Debates	3 x 60'	3 x 55'
Il-Poplu Jistaqsi	2 x 60'	2 x 55'
(with audience participation)		OR STANSON DESCRIPTION
<b>Party Productions</b>	42 mins.	33 mins.
Political spots	12 x 30"	12 x 30"

In offering airtime for this series of broadcasts, the Authority hopes that apart from providing a platform to the political parties from which they can communicate their policies to the public, this series would also help the democratic process by providing a direct link between electors and their parliamentary representatives.

The detailed procedure which regulates these broadcasts is given at Appendix III.

#### **Ministerial Broadcasts**

During the year under review, 32 minutes of airtime were taken up by three Ministerial Broadcasts details of which are given below:

Date	Minister	Subject	Duration
1. March 16	Ministerof Education and Human Resources	Examination fees	13′
2. April 30	Parliamentary Secretary for Human Resources	Workers'Day	9'
3. July 29	Parliamentary Secretary for the Care of the aged	Handyman service for the aged	10′

Broadcasts are meant to be factual explanations of approved legislative or administrative policies or appeals to the nation to co-operate in national policies which require active public participation. Except by agreement with the Authority, any



one broadcast may not exceed 15 minutes in duration and the annual quota for these broadcasts is 240 minutes.

Ministerial Broadcasts are expected to observe the impartiality requirements laid down in section 119 of the Constitution. The Authority grants the right of reply if such a claim is established to its satisfaction. None of these ministerial broadcasts delivered during the year gave rise to the claim for the right of reply.

#### **Anniversary Messages**

Another category of broadcasts which normally attracts ministerial participation is the anniversary messages slot which is intended to commemorate important and internationally recognised events. Eleven such broadcasts were made during the year and their total duration was 77 minutes. The following is the list of Anniversary Messages broadcast during 1993:-

Date	Anniversary	Minister	Duration
1. March 15	Consumers' Day	Minister for Food, Agriculture and Fisheries	7'
2. April 7	World Health Day	Parliamentary Secretary for Health	9'
3. May 31	Anti-smoking Day	Parliamentary Secretary for Health	8′
4. June 5	Environment Day	Parliamentary Secretary for the Environment	7'
5. September 27	Tourism Day	Parliamentary Secretary for Tourism	5′
6. September 29	Maritime Day	Minister for Transport and Communications	5′
7. September 30	World Day of the Elderly	Parliamentary Secretary for the Elderly	7′
8. October 16	World Food Day	Minister for Food, Agriculture and Fisheries	8'
9. November 25	European Heritage Day	Minister of Education and Human Resources	6'
10. December 1	World AIDS Day	Parliamentary Secretary for Health	7'
11. December 3	World Handicapped Day	Minister for Home Affairs and Social Development	8′

### AUDIENCE RESEARCH

Since 1990, the Broadcasting Authority has undertaken a national survey to assess audience size and attitudes towards the broadcasting services provided in Malta.

The surveys reflect the rapid development and growth in both the availability and use of the mass media in the 1990's. Whilst television has maintained its primary position, radio has re-established itself as a popular mass medium.

The 1993 survey undertaken for the Authority by MISCO International was based on a sample of 700 residents, aged 14 years and over, living in Malta and Gozo. The only exclusions were persons living in institutions and tourists. Interviewing was carried out face to face in the respondents' homes according to a quota representative of the age and sex of the Maltese population. Fieldwork was carried out between 12-18 January 1993. Any respondents who happened to be foreign residents were given the opportunity to answer the questionnaire in English.

#### **Listening and Viewing Habits**

95.4% of the persons interviewed watched television whilst 85.4% claimed to listen to the radio. Table 1 (see following page) shows the TVM viewing and radio listening profile.

The survey also sought to find out the types of programmes watched and listened to. Whilst there were nine major types of programmes identified on radio, four major sectors of television programming were singled out for particular mention. These are reproduced in Table 2 (see following page).

Audience survey respondents were also asked whether there were any types of programmes which they would have liked to follow and which were not at the time, transmitted by any of the radio services. An overwhelming 90.5% of listeners replied in the negative. In so far as television is concerned 36.8% of respondents who watched television were satisfied with the programmes broadcast on TVM.

This works out at around 2 out of 5 TVM viewers. The remaining section of the TVM audience attributed their dissatisfaction to : old films; lack of Maltese drama; lack of variety in programming and to poor programme quality.

By Sex	Radio	TVM
Males	48.7%	48.1%
Females	51.3%	51.9%
By Age		ALC: N
14 - 17 years	7.5%	7.9%
18 - 24 years	13.4%	11.8%
25 - 34 years	20.7%	19.5%
35 - 44 years	21.1%	21.1%
45 - 54 years	13.6%	14.1%
55 - 64 years	11.7%	11.7%
65 years +	12.0%	13.9%

Table 1 - Television viewing and Radio listening profile

FAMILY BANKS	Radio		TVM
News	80.9%		
Music	79.4%		
Counselling and advice programmes	62.9%		
Discussions	56.5%	News	83.8%
Phone-in discussions	49.3%	Teleplays in Maltese	58.2%
Phone-in entertain- ment	45.3%	Discussions	51.5%
Women's programmes	37.3%	Films	50.1%
Sports	28.6%		
'Radjudrammi'	26.8%		

Table 2 - Programme Preferences on TVM and Radio

#### **Radio Stations**

Section 30 of the Broadcasting Act requires the Authority to include in its annual report the state of listenership or viewership of broadcasting services provided in Malta. To achieve this aim the survey questionnaire covers aspects such as the respondents' preferred radio station, the station listened to regularly and only occasionally, the stations listened to the day prior to the survey and the stations listened to most for various types of programmes.

The station which had the highest level of regular listeners is Radio Super One. This is followed by Radio Malta One, Smash Radio and RTK. Table 3 shows the audience for each of the 9 stations operating in Malta at the time of the survey. This should not be interpreted as daily listenership.

Stations	Regular Listeners	Occasional Listeners
Radio Super One	29.8%	14.2%
Radio Malta 1	18.7%	13.0%
Smash Radio	16.9%	11.9%
RTK	15.2%	13.4%
Radio 101	12.2%	14.9%
Bay Radio	6.4%	14.7%
Radio One Live	6.2%	9.7%
Island Sound Radio	4.5%	7.2%
Radio Malta 2	2.7%	7.2%

Table 3 - Audience for each station

Note: Percentagesare expressed out of radio listeners.

In analyzing the stations to which respondents tuned in to regularly together with the reasons given for preferring one station from another, the survey produced the following information.

Regular listeners of Radio Malta One, Radio One Live, RTK and Radio Super One said that they preferred that station because it provides highly interesting listening and educational programmes. Listeners of Radio Malta 2 and Radio 101 said that their preference was based on these stations' variety of programmes. Regular listeners of Island Sound Radio preferred this station mostly due to the fact that transmissions are in English, whilst Bay Radio regular listeners considered it as the station with best music. Regular listeners of Smash Radio opted for the station because its output consists mostly of music.

## Radio Stations' Performance at Different Programmes

The previous year' respondents were asked which of the then existing radio stations they believed did the best job with respect to different programmes. In 1992, Radio Malta 1 was perceived by its audience to do best in local news. The following other stations were last year in a similar position with regard to the programme category shown next to them, i.e. Radio Super One - Foreign News and Sport, Radio 101 - Music and Current Affairs programmes.

A number of new programme categories were included in the 1993 survey and Table 4 (see following page) shows the top three stations listened to most for the different programme categories.

Programme Category	Stations	%
1. Local News	Radio Super One	49.6
	Radio Malta 1	19.5
	Radio 101	14.2
2. Foreign News	Radio Super One	42.1
	Radio Malta 1	18.0
	Radio 101	14.3
3. Sports Programmes	Radio Super One	33.5
	Radio Malta 1	15.2
	Radio 101	14.1
4. Music	Radio Super One	24.3
	Smash Radio	23.8
	Radio Malta 1	10.9
5. Phone-in Entertainment	Radio Super One	34.9
Programmes	Radio 101	14.9
	Radio Malta 1	10.4
6. Phone-in Discussion	Radio Super One	35.2
Programmes	RTK	16.0
	Radio Malta 1	13.0
7. Discussion Programmes	Radio Super One	33.4
	Radio Malta 1	16.0
	RTK	14.2
8. Phone-ins with best	Radio Super One	37.5
prizes	Radio 101	15.5
	Radio Malta 1	6.0

Table 4 - Stations listened to most for different programme categories

#### **Television**

Television is an integral part of the family household and, as such, it played a prominent role in this research exercise. TVM viewership tended to be rather evenly spread throughout the week. In fact the survey revealed that it varied from a minimum of 64.2% of respondents who watched television on Saturday to a maximum of 70.4% on Tuesday.

The Authority was interested to find out how much viewing goes on. This fluctuates from one to two hours of daily watching (claimed by 24% of respondents who watch TV) to as much as three to four hours claimed by 16% of respondents who watch television. This compares with an average of 14 hours television involvement per person per week spent by residents of most other European countries.

The introduction, over recent years, of day-time television seems to have had relatively little impact on Maltese viewers. It was established during survey week that between midnight and noon, viewership ranged from 0% to 3% of all persons 14 years and over. Between noon and 6 p.m., viewership rose but did not reach the 10% mark. Figures for television watching rose again to a peak ranging between 50% and 62% during the time of 8 - 9.30 p.m. and dipped again to 20% of persons aged 14 years and over by 11.00 p.m.

# News

The survey clearly demonstrated TVM's strong hold on its audience during the 8.00 p.m. news bulletin when 84% of TVM viewers (equivalent to 135,000 persons) claimed to be watching the news.

Asked to elaborate on their main source of news, respondents provided the information which is shown in Table 5. The data obtained is compared with figures resulting from a similar exercise in the 1992 audience survey.

	Radio %	TV %	Newspaper %	Other %
1992	41.0	31.4	24.7	3.0
1993	42.8	44.2	12.1	0.9

Table 5 - Preferred source of news.

It will be noted that television has replaced radio as the source the public turned to most often to find out what was going on both locally and overseas. Although television is commonly endorsed in this manner, the 1992 reversal of roles with radio can be explained by the fact that 1992 was an election year when radio's qualities of mobility, flexibility and immediacy were determining factors which contributed to radio being more in demand than other sources for news.

<sup>1.</sup> The fieldwork in connection with the previous survey was carried out between 8 - 14 January, 1992.



# OVERSEAS CONTACTS

Attendance at international gatherings is essential because it offers opportunities of keeping in close touch with progressive trends in broadcasting followed in other countries and Malta can benefit through their experience. Overseas contacts also provide welcome opportunities to strengthen both formal and personal ties which link all those concerned with broadcasting everywhere.

# The European Broadcasting Union

The Authority and Public Broadcasting Services Ltd are joint members of the EBU and their participation in the Union's activities is gradually increasing. In fact, for the first time, Malta will take part in 1994 in the EBU organised *Games without Frontiers* as they are popularly known. These events which take place all over Europe attract a very wide audience.

Malta is not new to EBU contests. Malta's performance in the Eurovision Song Contest has, in recent years, been quite creditable. In 1993, a worldwide audience followed the show broadcast from Millstreet, a small village in Ireland. The coveted Eurovision Song Contest trophy was won by Ireland with Malta taking eight place out of a total of 25 participants.

The Authority's Chairman and the Chief Executive attended the EBU's Annual General Assembly which was held in Lisbon. The Malta delegation which included the PBS Managing Director was encouraged to play a more active role in EBU affairs. This would not only help to raise Malta's profile in European broadcasting circles but would also enable the Authority and PBS to benefit from the various programming and administrative initiatives undertaken by the European Broadcasting Union. This matter is still under consideration.

In November 1993, the Chief Executive offices of the major European broadcasting organisations and leading political figures at national and European Union level met

at a two-day conference in Brussels to discuss the role, aims and needs of public service broadcasting in an increasingly competitive environment. The Authority's Chief Executive and the PBS Managing Director attended this conference which approved a declaration setting out the future commitment of public service broadcasting in Europe. This declaration entitled Public Service Broadcasting: *Europe's Opportunity* is reproduced at Appendix V of this Report.

# **European Television and Film Forum**

The fifth European Television and Film Forum organised by the European Institute for the Media was held in Istanbul and was opened on 4 November by the Prime Minister of Turkey. The Authority's Chief Executive, Mr Antoine Ellul, is a corporate member of the Forum and attended the conference which took the theme of: *The Future of Television: Generalist or Thematic Channels?* 

A large number of participants heard predictions of the effects of technological developments on the media landscape. The considerable increase in viewer choice (already being experienced in Malta through Cable television) was welcomed by some participants and questioned by others. In particular, several speakers expressed concern about the nature and originality of programming which would be used to meet the vast scheduling requirements of a multi-channel television system.

An essential part of the work of the Forum takes place in Working Groups which help to identify research and study activities. In view of the Authority's main functions, Malta belongs to the Working Group composed of regulatory bodies in Europe. The meeting of this group showed once again the benefits derived from an exchange of ideas and information between experts in broadcasting regulation. The discussions within this group concentrated on the national and European regulations in view of the changing broadcasting situation.

The issue of the treatment of audience complaints was another interesting item in view of Malta's heavy political concentration in this field. Although it was felt that the members of the group were not able to propose an ideal practice, it was agreed that the treatment of complaints should be made more transparent for the consumer and that those members of the public who feel personally concerned about a pro-

gramme should be made aware of their right to file a complaint. It was futher agreed that such complaints should be given publicity in order to make them accessible to a larger public.

Attendance at these conferences was a useful and interesting experience.

# Commonwealth Song Competition 1993

After Malta's successful debut in 1989 in the Commonwealth Song Competition, a Maltese song entry has again featured in Commonwealth music circles. One of Malta's two entries for the 1993 competition placed first in the Europe region consisting of Britain, Canada, Cyprus Gibraltar and Malta. The song An echo to the Future was composed by Mark Spiteri Lucas with lyrics by Joseph Chircop.

The competition was organized by the Commonwealth Broadcasting Association on behalf of the Commonwealth Foundation whilst the local phase of the competition was administered by the Broadcasting Authority in association with the Kumitat Festival tal-Kanzunetta Maltija.

The Europe region first prize, donated by the Commonwealth Foundation amounts to 500 pounds sterling. In addition, the Authority also presented monetary prizes and trophies to the two winning song entries of the local phase of the competition.

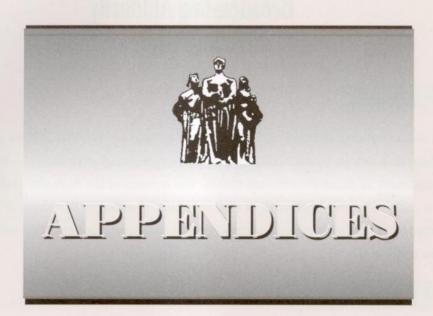
The objective of this competition is to provide a means of increasing understanding

and enthusiasm about the Commonwealth among young people.

Twentytwo countries competed in the 1993 contest and a song from India was declared the overall winner of the competition.



Presenting a trophy for the winning entry in the local phase of the Commonwealth Song Competition.



# APPENDIX

# Broadcasting Authority Standing Orders

### 1. Quorum

Unless otherwise decided, all meetings shall be held on days and at times as agreed from time to time by the Authority. Extraordinary meetings may also be called by the chairman, as dictated by circumstances. The quorum of the Authority shall consist, in addition to the Chairman, of two Members. If within half-an-hour of the time appointed for the meeting to commence a quorum is not present, the meeting shall be dissolved.

#### 2. Order of Business

- (a) An Agenda shall be prepared by the Chairman in consultation with the Chief Executive but any member may include, in consultation with the Chairman, an item on the Agenda and this shall be circulated to the Members reasonably in advance of each meeting. In the case of extraordinary meetings referred to in Standing Order No. 1, it may not always be possible to circulate the Agenda; in this event, it shall be read by the Chairman at the opening of the meeting. All items on the Agenda shall take precedence over all other business.
  - (b) The Authority's Agenda shall normally include the following items:-
    - (1) Confirmation of the Minutes of the previous meeting
    - (2) Matters arising out of the Minutes
    - (3) Correspondence
    - (4) Any items decided upon for inclusion on the Agenda
    - (5) Any other business

#### 3. SUSPENSION OF STANDING ORDERS

In the event of any matter of urgency, however, the Chairman may move or may accept a motion from any member for the suspension of the Standing Orders to introduce an item not previously included on the Agenda for the day's business. Such a motion must clearly state the nature and urgency of the business concerned. In the event of disagreement the matter will be decided by a majority vote of the members present.

#### 4. MINUTES

- (a) The confirmation of the minutes of the previous meeting shall be the first item on the Agenda. Draft minutes will be drawn up by the Secretary and will be circulated to all members of the Authority. Amongst other things the minutes shall contain a record of those present at the meeting; all motions moved by the Chairman and members; the names of the movers of such motions; the names and numbers of those voting if the matter is decided by vote and the Chairman's decision on matters of order.
- (b) Any amendments to the minutes shall be discussed, in turn and, in the case of unanimous agreement, incorporated in the minutes and initialled by the Chairman and the Secretary. In the event of disagreement, the matter will be decided by a majority vote of the members present.
- (c) No motion or discussion shall be allowed on the minutes except in regard to their accuracy. After the confirmation of the minutes, they shall be signed by the Chairman and the members shall then be at liberty to ask any questions in regard to matters arising out of them. Such questions shall be allowed for purposes of information only and no debate on the policy outlined in the minutes shall take place.

#### 5. CORRESPONDENCE

After the matters arising from the minutes have been disposed of, the Chairman shall ask the Secretary to read any letters which require the Authority's attention. Important letters will normally be included as separate items on the Agenda but



this section is principally reserved for correspondence received or sent after the Agenda but this section is principally reserved for correspondence received or sent after the Agenda has been circulated and for minor matters.

#### 6. SELECTION OF SPEAKERS

Any members wishing to address the meeting shall do so with the Chairman's permission and shall address the Chair. The Chairman will give adequate opportunity to all members to express their views. If any member interrupts another while addressing the Chair, the Chairman shall rule him out of order. The ruling of the Chairman on any question under the Standing Orders or on points of order or explanation, shall be final, unless challenged by the majority of the members present. No member shall leave the meeting before its conclusion without the permission of the Chairman.

#### 7. SPEECHES

It is desirable that no member speaks more than once upon any subject, unless on a point of order or in explanation, except the mover of the Original Motion. Members wishing to raise points of order or explanation must first obtain the permission of the Chairman and must do so immediately the alleged breach has occurred. When all members have been given an opportunity to speak the Chairman may allow a further brief discussion to ensure that the subject has been adequately covered. If the matter is decided by common consent the Chairman shall move to the next item on the Agenda. In the case of disagreement, the Chairman shall call for motions to put the matter to the vote. A motion which is lost shall not be brought forward again at the same meeting, nor shall one that is approved.

#### 8. MOTIONS AND AMENDMENTS

The first proposition on any particular subject shall be known as the Original Motion, and all succeeding propositions on the subject shall be called amendments. When an amendment is moved to an Original Motion no further amendment shall be discussed until the first amendment is disposed of. The mover of the Original Motion shall have the right to reply, in accordance with Standing Order No. 7, but

such right shall not be extended to the mover of the amendment. Notice of any further amendments must be given before the first amendment is put to the vote. The Secretary shall read the amended motion after which the members will register their vote. If the amendment is negatived and no other amendments are put forward, the Secretary shall read the Original Motion which, in its turn, will be put to the vote.

#### 9. VOTING

The voting shall be by show of hands and any question proposed for decision shall be determined by a majority of the votes of all the members present. If on any such question the votes are equally divided the Chairman shall have and exercise a casting vote in addition to his original vote. There is no compulsion on a member to vote but a member who wishes to abstain from voting should clearly indicate his intention to the Chairman, otherwise he is held to be in favour of the decision of the majority.

#### 10. CONFLICTING INTERESTS

- (a) A member of the Authority who is in any way directly or indirectly interested in a contract made or proposed to be made by the Authority shall, as soon as possible after the relevant circumstances have come to his knowledge, disclose the nature of his interest at a meeting of the Authority.
- (b) Any disclosure made as above shall be recorded in the minutes of the Authority and the member-
- (1) shall not take part after the disclosure in any deliberation or decision of the Authority with respect to that contract; and
- (2) shall be disregarded for the purpose of constituting a quorum of the Authority for any such deliberation or decision.

### 11. ANY OTHER BUSINESS

After the conclusion of the main business on the Agenda and provided time allows the Chairman shall ask if there is any other business to be discussed. Items







**Broadcasting Authority** 

# Application for a Licence to Operate a Wireless Colour Television Service

Part 1	Specifications
Part 2	Management and Staff Structure and Applicant's other Interests
Part 3	Programming
Part 4	Finance
Part 5	Technical

## **Wireless Television Service**

#### Part 1

### Specifications

The following is an outline of the conditions which it is intended shall be inserted in any licence issued by the Broadcasting Authority to a Licensee:

- 1. The Licensee will be requested to install and operate a colour Television service covering the Maltese Islands. The service will use a channel in the UHF television band to be allocated by the Authority. Transmission should conform with CCIR 525 lines system G PAL. Transmitters shall be co-sited at Gharghur on land leased by the Authority. The effective radiated power of the transmitters will not exceed: vision 10 kilowatts and sound 2.5 kilowatts.
- 2. The service shall be in position to start the actual transmission of television programmes within nine months from the award of the licence.
- The Licensee will be required to conform strictly to standards of quality and taste and of news impartiality and programme balance laid down in the licence to be awarded by the Authority.
- 4. The Licensee will be permitted to carry, and to drive revenue from, advertising and sponsorship provided that these comply with the provisions of the Code for Advertising and Sponsorships and any other advertising standards which the Authority may require to be observed from time to time.
- 5. The Licensee will be required to provide a service of not less five hours daily.
- The Licensee will be required to devote not less than 20% of the daily transmission time locally originated programmes; these programmes will contain a reasonable Maltese language element.
- 7. A proportion of the remaining transmission time, calculated on a quarterly schedule basis, will be taken up by the programme material from European countries. The Licensee will also be required to ensure that the programme output will include material of an informative, entertainment and educational nature.
- 8. The Licensee will be required to provide local and international news services which must be accurate, objective and responsible and to accept direction from the Authority in terms of section 119 of the Constitution and section 13 of the Broadcasting Act, 1991.
- The Licensee will be required to make available to the Authority, free of charge, studio, production and airtime facilities as may be necessary to enable the Authority to produce its own programmes in terms of section 13(4) of the Act.



- 10. The television licence will be for a period of eight years. For the first four years of operation, the Licensee will be required to pay to the Authority a sum of Lm6,000 annually. It is proposed to review the position after four years to determine whether such a fixed sum should be revised, or replaced by percentage of the Licensee's net advertising revenue.
- 11. The Licensee shall be a local limited liability company with majority share-holding controlled by Maltese citizens set up to operate broadcasting services.
- 12. The Licensee will be required by the Authority to submit to it with schedules of programmes in advance and to make and keep recordings for 90 days and produce them to the Authority for subsequent examination.
- 13. Concrete proposals for a television service designed to appeal to the interests, tastes and outlook of the general Maltese public and within the framework of these specifications should be furnished by applicants, to reach the Broadcasting Authority not later than 8 October 1993. A licence will in due course be awarded to the applicant whose proposals, in the Broadcasting Authority's view, conform best to the details set out above and offer a television service most suited to the diverse needs of the Maltese public.

# Management and Staff Structure and the Other Interests

Name of Applicant Company

1.

2.

Address

3.

4.

3.	Telephone No:	4. Fax No:	
5.	Shareholders/Directors:-		
	Name and Address	Business Title or Function	Shares Held
	1.	1	
	2.		

#### Use additional sheets if necessary

- 6. Has the applicant any direct interests in any other company operating in Malta or elsewhere?
- 7. If the applicant is a subsidiary of any other organisation, give details of the extent of the outside control exercised.

A copy of the Memorandum and Articles of Association should be attached.

8.	Applicant Company's Legal Advisers: (if any)
9.	Auditors: (if any)
10.	Bankers:
11.	Proposed Station Name:
12.	Give details of proposed management staff structure with organigram showing such posts as Managing Director (vide section 43 of the Broadcasting Act); Directors; Head of Programmes; Head of News; etc. Briefly describe personal background and relevant previous experience.
	Use additional sheets if necessary.
13 A.	Give estimated number of full-time staff to be employed together with information about any expatriate engagements which might be contemplated.
13 B.	Provide details as to how it is proposed to train locally recruited staff.
14.	Provide details of any interest applicant may have in the following:  i) Sound broadcasting, cable distribution of sound or television or satellite reception and distribution of programmes
	ii) Other connections of nature relevant or related to broadcasting or to the Press
	iii) Connections with organisations of wholly or mainly religious or political nature

# Programming

- 1. Give the following operational details:-
  - i) Proposed hours of operation within the terms of paragraph 5 of the specifications at Part 1.
  - ii) During which hours of the day do you intend to broadcast?
  - iii) Content and style of programming:
     This is your Promise of Performance which will be included in the licence.
     State the nature of the programme service you intend to provide giving in approximate percentage terms the proportions of airtime to be devoted to the main elements of programme output (vide paragraphs 6 and 7 of the
  - iv) Give general description and source (vide paragraph 7 of specifications at Part 1) of imported programme material which is expected to be used.
  - v) What arrangements will you make to obtain:
    - a) National news
    - b) International News

specifications at Part 1.)

vi) Provide an outline of a typical week's programming, indicating the length and type of main items, *including news bulletins*, to be featured in the programme schedule.



### **Finance**

- 1. Submit a detailed three year feasibility study which should include projected profit and loss and cash flow statements, projected balance sheets, clearly stating the accounting policies and assumptions used in compiling the feasibility study. These should include:
  - a. authorised and issued share capital and each class of shares, if applicable should be denoted both in number and value;
  - b. state briefly how share/loan capital is to be raised;
  - c. supporting documentation of any banking facilities if applicable;
  - d. details of proposed capital expenditure;
  - e. Briefly show how you have estimated your annual revenue/ expenditure.
- 2. What arrangements do you propose for the sale advertising time.
- If you plan to raise revenue from sources other than advertising you are requested to state these:
   Indicate type of source of revenue, the expected annual income and the percentage of total revenue required.
- 4. Apart from share capital and loans, give details if you plan to raise finance through grants and donations.
- N.B. Should the company operate in other activites the information submitted need only relate to the television operations.

## **Technical**

- Bearing in mind the requirements laid down in paragraph 1 of the specifi
  cations at Part 1, give details of the coverage pattern and power and signal
  level you envisage to provide for a good quality signal within the Maltese
  Islands.
- 2. Give details of transmitting and studio and other technical equipment (e.g. cameras, control units, sound/vision, transmitters, microwave links and other outside broadcast equipment) which you intend to provide.
- What is the proposed location of your studio?
   Please give actual address if known (a rough scale plan of your studio and technical areas is required)
- Please add any technical points regarding transmission and studios, in addition to those given in previous sections of this application.

#### **Readiness Date**

Within the framework laid down in paragraph 2 of the specification at Part 1, please state how long after the award of the licence would you be ready to start transmitting operations. What are the main factors that will determine your readiness date?

#### Declaration

I certify that, to the best of my knowledge, the details given in this application for a licence to provide a Wireless Colour Television Service is correct, and that I have read the Broadcasting Act 1991 and the specifications at Part 1 of this application and understand the terms under which licences to broadcast are issued.

Signature:

Name (in block capitals):

Position within applicant company:





# PARTY POLITICAL BROADCASTS 1993 - 1994

# **CONTENTS**

### **GENERAL**

### SPECIFIC ARRANGEMENTS

Press Conferences

Debates

Il-Poplu Jistaqsi

Party Productions

**Political Spots** 

### **APPENDICES**

- I Arrangements for Press Conferences
- II Arrangements for Il-Poplu Jistaqsi
- III Debates
- IV Chairpersons

# PROCEDURE GOVERNING PARTY POLITICAL BROADCASTS

1993 - 94 Series

## Part I

#### 1. GENERAL

- 1.1 This series of Party Political Broadcast consists of Press Conferences, Debates, Party Productions with audience participation (*II-Poplu Jistaqsi*) and Political Spots.
- 1.2 All programmes and spots are transmitted under the auspices of the Broadcasting Authority.
- 1.3 Party Political Broadcasts in this scheme consist of a maximum 28 programmes and 24 Political Spots.
- 1.4 This series of Party Political Broadcasts covers the period November 1993 to June 1994. Unless otherwise indicated, programmes will be transmitted on TVM on Thursdays at 9.00 p.m.
- 1.5 Programmes and Political Spots will be transmitted on dates which will be selected by the parties in this scheme. However, only one broadcast can be scheduled on any one day and each party may not request more than one 55/60-minute programme per month.
- 1.6 Requests for airtime are to made to the Authority in writing and conveyed either by hand during office hours or by fax (240855). Airtime will be granted on a first come first served basis. Further details which set out the parameters regulating the scheduling of programmes are given under each programme category as shown in Part II of this procedure.



- 1.7 Airtime for programmes and for Policitical Spots which is not utilised by the party concerned during the period of time indicated in this procedure will be forfeited.
- 1.8 Political party representatives, and all those taking part in this series, must abide by the provisions of the law, any rules issued by the Authority from time to time and any order or directive given by the presiding chairperson. The Authority's decision on any points which may arise in connection with these transmissions will be final.
- 1.9 Neither the Broadcasting Authority nor Public Broadcasting Services Ltd will accept any responsibility for any interference with or breakdown of the television or radio services and cannot bind themselves to repeat any broadcast that suffers as a result of such interference or breakdown.
- 1.10 The Authority reserves the right to suspend indefinetly or for such time as it will consider necessary, any person from participating in any of the programmes in the event that such person shall have, in the Authority's view, committed a serious breach of the rules, particularly rule 1.8.
- 1.11 All programmes and spots in this series are transmitted on television. Press Conferences will also be broadcast on Radio Malta I.
- 1.12 Provided adequate notice is given the Authority will issue a press hand-out and advance publicity on the broadcasting media will also be arranged.
- 1.13 In all programmes, where the Authority requires advance information about speakers and the choice of subjects, the party choosing the subject and speaker/s will supply the required information in writing to the Authority by not later than noon on Friday preceding the day of broadcast. Failure to comply with this rule will disrupt arrangements and may entail the forfeiture of the broadcast in which case an appropriate announcement will be made. Where necessary the Authority will inform the other party about the subject and speaker/s selected not later than the following working day.

- 1.14 Programmes are transmitted from PBS Ltd Studios after pre-recording which takes place in the presence of the Authority's legal adviser. Participants are to be at the studios not later than half an hour before recording time. Unless otherwise directed by the Authority, recording will take place at 10.00 a.m. sharp on the day of broadcast. Only the participants and the Party Broadcasting Officer or his representative may attend the checking of the play-back. A programme will be re-recorded only if the Authority so decides.
- 1.15 Political parties participating in this series may request a recording of any political programme after the programme has been broadcast. A period of seven days from the date of the broadcast is allowed for such requests.
- 1.16 In selecting a subject for those programmes which require one, parties should be guided by the need to inform and educate public opinion on specific matters and the choice of titles must be consistent with the spirit of this rule.
- 1.17 This series of Party Political Broadcasts will come to an automatic end if Parliament is dissolved.

# Part II SPECIFIC ARRANGEMENTS

#### 2. PRESS CONFERENCES

- 2.1 This section of the scheme consists of two programmes of 60 minutes each allocated to the Nationalist Party and two programmes of 55 minutes each allocated to the Malta Labour Party.
- 2.2 Press Conferences are meant to be informative discussions in which a party representative answers questions and replies to points raised in the general public interest by four journalists.



- 2.3 Press Conferences will be regulated by a participating chairperson nominate by the Broadcasting Authority who will ensure a fair and lively discussio conducted in the public interest.
- 2.4 Press and Radio representation at the Conferences will be regulated in accordance with the arrangements shown in Appendix I.
- 2.5 The subject for a Press Conference will be chosen by the party requesting airtime for this purpose.

#### DEBATES

- 3.1 The present series of Debates is made up of three programmes of 60 minutes each allocated to the Nationalist Party and three programmes of 55 minutes each allocated to the Malta Labour Party. Participation will consist of two representatives one from each political party two journalists nominated by the Authority and a participating chairperson also nominated by the Authority.
- 3.2 Participation by journalists during these Debates will be in accordance with arrangements to be decided upon by the Authority.
- 3.3 The party which selects the subject will open and wind up the Debate.
- 3.4 Each Debate will open with a pre-recorded 5-minute production on the subject selected for discussion by the party. The party concerned will be responsible for the production of this slot.
- 3.5 The 5-minute visual production will have to be submitted for legal vetting and for the presiding chairperson's information at least two clear working days before the programme is recorded.
- 3.6 The chairperson should ensure that clarity prevails at all times and that an equal opportunity is presented to all. The chairperson retains full discretionary powers to act as necessary to ensure that the interests of viewers and listeners are safeguarded.

#### 4. "IL-POPLU JISTAQSI"

(Audience participation programme)

4.1 This section consists of two programmes of 60 minutes each allocated to the Nationalist Party and two programmes of 55 minutes each allocated to the Malta Labour Party.

- 4.2 Each programme will consist of one or two party representatives (drawn from the same party) and an invited audience. The number of party representatives taking part in each programme will be at the discretion of the party concerned.
- 4.3 The Authority will be responsible for the fair selection of the audience.
- 4.4 The presiding chairperson appointed by the Authority will conduct the programme which will mainly consist of questions raised by members of the audience and replies by the invited politician/s.
- 4.5 These four programmes will be broadcast as shown in Appendix II and the subject of each programme will be chosen by the Authority. Refusal to accept the selected topic will entail the forfeiture of the programme.
- 4.6 The Authority will communicate the subject to the political party concerned three weeks before the due transmission date and, in turn, the party will communicate the name of its representative/s to the Authority not later than ten working days before the recording date.

#### 5. PARTY PRODUCTIONS

- 5.1 The programmes in this section may, at the parties' discretion, vary from the straight talk to an elaborate television production.
- 5.2 Airtime for programmes in this section is allocated to the Nationalist Party and to the Malta Labour Party as follows:

Nationalist Party - 42 minutes Malta Labour Party - 33 minutes

- 5.3 Party Productions in this scheme consist of a number of programmes which vary in duration from 5 to 10 minutes and which could be slotted at the parties' discretion on any day of the week excluding Saturday, Sunday and public holidays.
- 5.4 Transmission time will depend on the first available time slot following the programme broadcast after the 8.00 p.m news.
- 5.5 Airtime allocation can be availed of by each party at the rate of not more than one programme per month (November 1993 June 1994) and the Authority must be informed in writing at least a week in advance of the selected transmission date.
- 5.6 The written advance notice has to be communicated to the Authority either by hand or by fax (240855) and only one programme can be accepted for broadcast on any specific day.



- 5.7 A VHS copy of each programme is to be delivered to the Authority for vetting at least two clear working days before the programme is due for broadcast.
- 5.8 A bottom-frame caption with the words "Xandira Politika" will be shown 3 times during transmission.

#### 6. POLITICAL SPOTS

- 6.1 This series of Party Political Broadcasts includes 24 political spots equally shared between the Nationalist Party and the Malta Labour Party.
- 6.2 Each spot will be of not more than 30 seconds duration.
- 6.3 Each party may request the Authority to slot not more than 3 spots in any one week during the period November 1993 to June 1994
- 6.4 Not more than 1 spot can be scheduled on any particular day and the scheduling of such spots would be accepted by the Authority on a first come first served basis.
- 6.5 Political spots will be provided by the parties themselves and video tape recordings must comply with the Station's technical requirements. A VHS copy is to be delivered to the Authority for vetting at least two clear working days before the selected transmission date.
- 6.6 Each Spot shall include a bottom frame caption with the words "spot politiku mill ... (party name)...". This caption will be shown throughout.
- 6.7 Political spots are transmitted within the first break immediately after the 8.00 p.m. news bulletin.

Smash Radio

# PRESS CONFERENCES

(vide section 2 of Procedure)

#### Media representation in programmes with subjects chosen by the Nationalist Party.

1. Union Press Super One Radio Malta Independent Bay Radio

Alternattiva

Marsa Press

2.

Live FM

#### Media representation in programmes with subjects chosen by the Malta Labour Party

Independence Print
 Allied Newspapers RTK Island Sound Radio
 Alternattiva Radio 101 II-Gens Unimas Radio



# IL-POPLU JISTAQSI

(vide section 4 of Procedure)

Each programme will consist of one or two party representatives drawn from the same party and an invited audience. The Authority will be responsible for the fair selection of the audience and the programmes will be broadcast as follows:

#### Programmes allocated to the Nationalist Party

- 1. 24 February, 1994
- 2. 28 April 1994

#### Programmes allocated to the Malta Labour Party

- 1. 27 January 1994
  - 2. 24 March 1994

# **DEBATES**

(vide section 3 of Procedure)

The following journalists have been invited by the Authority to participate in the six debates which form part of the scheme:

#### Programmes where the choice of subjects is at the discretion of the Nationalist Party

- Frans Ghirxi Victor Camilleri
- 2. Ray Bugeja Anna Bonanno
- 3. Joe Mifsud Ruth Amaira

# Programmes where the choice of subjects is at the discretion of the Malta Labour Party

- 1. Lawrence Grech Felix Agius
- 2. Joe Azzopardi Joe Dimech
- 3. Paul Azzopardi Carmel Attard



# **CHAIRPERSONS**

List of Persons invited by the Authority to Chair the different categories of programmes forming part of the 1993/94 Party Political Broadcast Series:

Prof. Lino Briguglio

Mrs Jo Cachia

Mr John Consiglio

Mrs Catherine Galea

Mr Alfred Mallia Milanes

Mr Godfrey Pirotta

Dr Austin Sammut

Mr Joseph Sammut

Mr Vincent Farrugia

# **APPENDIX**

## The Political content of the News of the Public Broadcasting Services General Picture 1993

Month	Govern- ment Activities	Pa NP	Party Political NP MLP AD		Unions CMTU GWU GRTU			TOTAL	% of All Local Items
January	71	14	35	6	11	27	2	166	44.1
February	102	24	39	12	14	23	5	219	57.8
March	125	18	44	11	6	21	1	226	55.1
April	102	11	44	13	10	12	2	194	50.7
May	118	14	43	8	22	24	1	230	54.9
June	129	8	37	24	22	25	-	245	57.5
July	87	4	38	10	12	30	3	184	43.9
August	68	4	26	5	6	22	-	131	35.1
September	88	25	41	10	15	24	1	204	48.0
October	111	19	51	10	4	31	6	132	53.5
November	97	18	51	11	11	23	3	214	51.8
December	71	11	46	6	3	34	3	174	46.7
	1169	170	495	126	136	<u>296</u>	27	2319	48.0

Data compiled from information gathered from 8.00 pm and late news bulletins on TVM.



# Ministerial Activities 1993

Month	Number of Local News Items	Reports of Ministerial Activities	%	
January	376	071	18.9	
February	379	102	26.9	
March	410	125	30.5	
April	383	102	26.6	
May	118	28.2	28.2	
June	426	129	30.3	
July	422	087	20.6	
August	370	068	18.4	
September	427	088	20.61	
October	434	111	25.6	
November	413	097	23.5	
December	373	071	19.0	
be to	4832	1169	24.2	

# Party Political Activities 1993

Month	Number of Local News Items	NP	Party Poli	itical AD	Total	%
January	376	14	35	06	55	14.6
February	379	24	39	12	75	19.8
March	410	18	44	11	73	17.8
April	383	11	44	13	68	17.8
May	419	14	43	08	65	15.5
June	426	08	37	24	69	16.2
July	422	04	38	10	52	12.3
August	370	04	26	05	35	09.5
September	427	25	41	11	77	18.0
October	434	19	51	10	80	18.4
November	413	18	51	11	80	19.4
December	373	11	46	06	63	16.8
	<u>4832</u>	<u>170</u>	495	127	792	16.4



# Trade Union Activities 1993

CMTU	Unions GWU	GRTU	Total	%
11	27	02	40	10.6
14	23	- 05	42	11.1
06	21	01	28	06.8
10	12	02	24	06.3
22	24	01	47	11.2
22	25	-	47	11.0
12	30	03	45	10.9
06	22	-	28	07.6
15	24	01	40	09.4
04	31	06	41	09.4
11	23	03	37	09.0
03	34	03	40	10.8
136	<u>296</u>	<u>27</u>	459	09.5
		15.00		Land Control of the C

# APPENDIX

Declaration issued at the conclusion of the conference
"Public service broadcasting: Europe's opportunity"
held in Brussels in November 1993
under the auspices of the European Broadcasting Union

# Public service broadcasting: Europe's opportunity

Europe can be proud of the long tradition of its public broadcasting. Every day, the radio and television public service channels attract tens of millions of listeners and viewers. On the eve of an unprecedented audiovisual revolution, public service broadcasting is more important than ever.

In this world in search of a new equilibrium, with the omnipresence of the media in everyday life, radio and television cannot escape far-reaching changes. In Europe, the public service broadcasters are no longer alone; commercial channels are multiplying and technological development will greatly accelerate this movement.

The coexistence of a public service sector and commercial companies can in itself perhaps be stimulating. Nonetheless, European society cannot be confined to a concept of broadcasting in which all that count are the laws of the marketplace and the constraints of advertising, and in which certain essential elements of information, education, and culture have merely a token value.

Europe deserves better. It must be more demanding. It has a right to expect that radio and television contribute actively to its further development and to reinforcing its identity, calling on the fundamental values of tolerance, diversity of opinion, free speech, the critical spirit, and humanism.

Only public service broadcasting can offer at the same time:

### Programming for all

- in which everyone, whether the general public or minority audiences, can find programmes which inform, entertain, and enrich
- ruling out any cultural, sexual, religious or racial discrimination, and rejecting any social segregation by age or purchasing power
- as a factor of social cohesion
- technically accessible by the entire population

### A basic general programme service, backed up by thematic channels

- truly generalist primary channels offering news and current affairs, enrichment, and entertainment, when faced with segmentation of programme offers
- together with thematic channels dealing in greater depth with certain components of the basic service

#### A forum for democratic debate

With news and current affairs reporting which

- is impartial, independent, explanatory and pluralistic
- stimulates debate and clarifies the issues
- counterbalances the trend towards trivialization and sensationalism

### Unrestricted public access to events of significance

- live coverage of important news events
- major sports events
- outstanding cinema films
- important cultural and musical events

### A reference standard for quality

- an enhancement of all programme categories
- a concern for quality, making the public more demanding of all channels
- a sense of ethical and professional responsibility

### A spirit of innovation

- providing a counterweight to the uniformity of programmes offered as a result of competition
- daring to create programmes without constantly aiming at maximum audience figures

### Extensive original production

- retaining control of the product and its content
- stimulating and supporting European production
- maintaining original production in smaller economic and linguistic markets

#### A showcase for culture

- promoting intellectual and artistic life
- providing cultural exchanges through international cooperation between broadcasters
- developing partnerships with the film industry, the live theatre, the world of music, and cultural institutions

### A contribution to reinforcement of the European identity and of its cultural and social values

- with the transborder flow of news, ideas and culture
- active and impartial participation in the emergence of true public service broadcasting in Central and Eastern Europe

### A driving force in technological research and development

 active involvement in research and the development of European standards in close cooperation with industry



- introduction of new production and distribution techniques available to all broadcasters
- a guarantee that everyone may enjoy the benefits of the best possible technical quality at the best price.

Public service broadcasters commit themselves to these objectives with all their energy. Refusing any moves towards marginalization, they are determined to play a front-ranking role and to figure amongst the leaders in terms of overall audiences

To carry out their mission effectively, they must:

- be politically and financially independent
- possess legal structures allowing for dynamic management in a context of growing competition
- adapt their strategies to the rapid and continuous evolution of their environment, stream line their structures, reduce operating costs, and increase productivity
- be able to draw on adequate and evolutionary mixed funding, both public and commercial, taking into account national traditions.

Public service broadcasters seek to persuade European States that they have a responsibility to secure the legislative framework necessary for the accomplishment of these objectives.

The public service created European broadcasting. Today more than ever, it constitutes an opportunity for Europe.

It must seize this chance and build upon it.



# REPORT AND FINANCIAL STATEMENTS

### **REVENUE AND EXPENDITURE ESTIMATES**

for the year ending 31 December 1994 in terms of Section 27 of the Broadcasting Act 1991

and

#### REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 1992

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# REVENUE AND EXPENDITURE ESTIMATES

FOR THE YEAR ENDING 31 DECEMBER 1994 In terms of Section 27 of the Broadcasting Act 1991

	D	Actual <b>1992</b>	Estimates 1993	Estimates 1994
	Page	Lm	Lm	Lm
INCOME	72	312,863	322,135	533,160
EXPENSES	72	129,222	199,120	279,569
DEPRECIATION		10,631	16,559	17,000
		139,853	215,679	296,569
SURPLUS FOR THE YEAR		Lm173,010	Lm106,456	Lm236,591

# PROJECTED FUNDS FLOW STATEMENT

FOR THE YEAR ENDING 31 DECEMBER 1994

	Actual 1992 Lm	Estimates 1993 Lm	Estimates 1994 Lm
SOURCE OF FUNDS			
Net surplus for year	173,010	106,456	236,591
Add back:  Item not involving the movement of funds:			
Depreciation of tangible fixed assets	10,631	16,559	17,000
Profit on disposal of tangible fixed assets	-	(67)	-
FUNDS GENERATED FROM OPERATIONS	183,641	122,948	253,591
APPLICATION OF FUNDS			
Capital expenditure	19,414	123,685	253,865
NET SOURCE/(APPLICATION)			
OF FUNDS	Lm164,227	Lm (737)	Lm (274)

### **SCHEDULES OF ESTIMATES**

#### FOR THE YEAR ENDING 31 DECEMBER 1994

### 1 INCOME

	Notes	Actual 1992 Lm	Estimates 1993 Lm	Estimates 1994 Lm
Government contribution	1(a)	250,000	250,000	445,000
Radio licence fees*	1(b)	16,481	29,681	36,160
T.V. licence fees	1(c)	RIES -	-	12,000
Radio application fees*		8,120		-
Cable TV operator	1(d)	30,000	30,000	30,000
Ground rents	1(e)		8,500	9,000
Bank interest	1(f)	8,262	3,712	1,000
T.V. application fees		-	175	
Sundry income		-	67	
to page 70		Lm312,863	Lm322,135	Lm533,160

<sup>\*</sup>Radio and application fees are shown net of technical assistance charge of 20% of gross fees received. Technical assistance is payable to the Ministry responsible for wireless and telegraphy in terms of Section 18(5) of the Broadcasting Act 1991.

### 2 EXPENDITURE

Operating expenses:	Page	Actual 1992 Lm	Estimates 1993 Lm	Estimates 1994 Lm
Administration department	73	96,337	129,741	128,945
Production department	74	14,736	32,926	89,256
Monitoring department	74	18,149	33,824	39,196
Technical department	74	-	2,629	22,172
to page 70		Lm129,222	Lm199,120	Lm279,569

# SCHEDULES OF ESTIMATES

# ADMINISTRATIVE DEPARTMENT EXPENSES

	Notes	Actual 1992 Lm	Estimates 1993 Lm	Estimates 1994 Lm
Duty visits abroad	2(a)	8,109	2,566	5,200
Rent	2(b)	3,500	3,500	3,500
Wages and salaries	2(c)	38,808	50,532	65,191
Wages and salaries - arrears		π.	20,288	-
Bank charges		-	85	-
Members' honoraria	2(d)	17,222	20,054	20,054
Audience research study	2(e)	1,398	5,330	3,000
Staff recruitment and training	2(f)	28	-	1,500
Visiting lecturers	2(f)	-	1,303	1,500
Legal and professional fees	2(g)	6,966	3,688	3,800
Audit fee	2(g)	400	400	400
Public relations	2(g)	2,089	1,955	2,000
Repairs and maintenance	2(g)	1,733	1,986	1,000
International organisations membership fees	2(g)	3,311	2,740	4,100
Subscriptions and publications	2(g)	1,449	1,470	1,500
Telecommunications	2(g)	2,147	2,795	3,000
Stationery	2(g)	2,195	2,053	2,500
Sundry expenses		936	766	
Insurances	2(g)	449	704	1,700
Transport	2(g)	918	859	2,000
Water and electricity	2(g)	857	2,364	2,500
MBA. reports and publications	2(g)	1,261	3,748	3,500
Advertising	2(g)	2,247	555	1,000
Adaptation of office		273	-	-
Anniversary celebrations		41	-	_
to page 72		Lm96,337	Lm129,741	Lm128,945

### **SCHEDULES OF ESTIMATES**

CONTINUED

# 4 PRODUCTION DEPARTMENT EXPENSES

	Notes	Actual <b>1992</b> Lm	Estimates 1993 Lm	Estimates 1994 Lm
Wages and salaries	3(a)	3,608	5,458	19,856
Wages and salaries - arrears	4/6	2,596	-	
Staff training	3(b)	5,428	700	5,000
Programme production expenses	3(c)	2,059	21,450	60,400
Airtime & studio charges		121	1,000	1,000
T.V. political broadcasts		3,197	830	1,000
Contributors fees		323	532	500
Radio and TV tapes		-	268	1,500
Sundry		-	92	
to page 72		Lm 14,736	Lm 32,926	Lm 89,256

### 5 MONITORING DEPARTMENT EXPENSES

		Actual <b>1992</b>	Estimates 1993	Estimates 1994
	Notes	Lm	Lm	Lm
Wages and salaries	4	16,436	26,005	36,196
Wages and salaries - arrears			5,365	-
Monitoring allowances		1,503	1,460	1,500
Monitoring expenses (licences of sets, etc.)		210	994	1,500
to page 72		Lm 18,149	Lm 33,824	Lm 39,196

# 6 TECHNICAL DEPARTMENT EXPENSES

	Notes	Actual 1992 Lm	Estimates 1993 Lm	Estimates 1994 Lm
Wages and salaries - to page 72	5	Lm -	Lm2,629	Lm22,172

### NOTES TO THE ESTIMATES

#### FOR THE YEAR ENDING 31 DECEMBER 1994

#### 1 INCOME

- (a) Section 24(1) of the Broadcasting Act 1991 provides for a Government Contribution of 30% of wireless licence fees subject to a minimum annual contribution of Lm250,000. As shown by the Projected Funds Flow Statement on page 00, the Authority is to incur capital expenditure of Lm253,865 in connection with the construction of new studios and offices. It is estimated that an additional contribution of Lm195,000 for 1994 is required. This income is made up of Lm309,000 which Government will provide in terms of Section 24(1)(a) of the Broadcasting Act 1991 but supplemented by the sum of Lm136,000 which is estimated to become surplus to the Authority's requirements at the end of the 1993 financial year. The Authority has the Government's written guarantee about these arrangements for the Authority's financing during 1994.
- (b) Eight enterprises have been granted a licence to operate nation-wide radio services. It is envisaged that another pending application will be finalised by the end of 1993. These are charged an annual licence fee of Lm5,000 each. In terms of Section 18 (5) of the Broadcasting Act 1991 the Authority is obliged to pay 20% of the fees received to the Ministry responsible for Wireless Telegraphy in connection with the technical servicing of the licences. It is also envisaged that two enterprises will be granted a licence to operate ad hoc community radio services.
- (c) The Authority has issued a call for applications for licences to operate Television services in the UHF band. The number of such services is still undetermined. However, it is anticipated that at least two licences at an annual fee of Lm6,000 will be issued in 1994.
- (d) During 1994, Melita Cable Television Limited, will pay the Authority Lm30,000 in respect of its obligations to provide the Authority with funds to operate a community channel.
- (e) It is planned that the Authority will charge Master Antenna Limited, Public Broadcasting Services Limited, Central Bank of Malta, Telemalta Corporation, Telecell Limited and Melita Cable Television Limited a total of Lm9,000 per annum for ground rent and facilities in respect of the Gharghur transmitting site.
- (f) It is planned that any temporary surplus funds will be deposited in savings/fixed bank accounts.

### NOTES TO THE ESTIMATES

CONTINUED

#### 2 ADMINISTRATIVE EXPENSES

- (a) During 1994 the Broadcasting Authority will be represented at international conferences of the European Broadcasting Union, the Commonwealth Broadcasting Association and the European Institute for the Media as well as at other international broadcasting conferences.
- (b) A new rent agreement was drawn up during the course of 1993 in terms of which the rent for 1994 was established at Lm3,500 per annum. An increase is projected for future years.
- (c) A revised staff grading and salary structure was negotiated during the course of 1993. The figures shown in these estimates reflect salaries at the revised levels and the partial implementation of an increase in staff complement.
- (d) The Board is composed of a chairman and four members. During 1994 it is expected that the chairman's remuneration will be Lm5,430 and that of the members Lm3,660 each.
- (e) It is envisaged that only one major study will be carried out to assess and monitor the local audience's preferences for television and radio programmes.
- (f) Conscious of its responsibilities to raise the standard of local broadcasting, the Authority intends to provide for local training of Television and Radio personnel. This will be done through participation in a training scheme organised by the Strickland Foundation in conjunction with the United Kingdom Thomson Foundation. It is planned that an annual lecture on a Broadcasting topic will be organised with the help of the Authority's overseas contacts.
- (g) Administrative expenses are estimated after taking into consideration past years' performance and planned level of activity of the Authority in 1994.

#### 3 PRODUCTION

- (a) The figure includes provision for the recruitment of a Director of Programmes and an additional two Producers in preparation for the Authority's programming commitments on Cable Television.
- (b) The provision includes tuition fees for a 13-week course in General Programme Production at the BBC staff training centre.
- (c) Production expenses are to be incurred in connection with the Community Channel on Cable TV It is envisaged that the Authority would purchase foreign film material of an educational and informative interest as well as commission locally produced programmes, the total cost of which is estimated at Lm60,400.

# NOTES TO THE ESTIMATES

CONTINUED

# 4 MONITORING DEPARTMENT EXPENSES

The estimate includes an amount for the employment of an additional Programme Editor.

# 5 TECHNICAL DEPARTMENT EXPENSES

The Authority plans to acquire an Outside Broadcasting vehicle from Melita Cable TV Limited in connection with the operation of the Community Channel. The estimate includes provision for the employment of a Technical Manager and 5 technical personnel who would be responsible for running the O.B. Unit.

### PROPOSED CAPITAL EXPENDITURE

FOR THE YEAR ENDING 31 DECEMBER 1994

### **BUILDING PROJECT**

Preliminary excavation works in connection with the building of the Authority's new studios and offices are to commence later in 1993. It is expected that the major part of this project including Civil and Mechanical and Electrical works would be carried out throughout 1994.

Estimated costs as per architect's certificate

Lm253,865

### **AUDITORS' REPORT**

We have audited the financial statements set out on pages 0 to 00 in accordance with Auditing Standards.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. Proper books of account have been kept and the financial statements are in agreement therewith.

In our opinion, the financial statements give a true and fair view of the state of the Authority's affairs at 31 December 1992 and of its surplus and cash flows for the year then ended, and have been properly prepared in accordance with the Broadcasting Act 1991.

Grant Thornton Malta
Certified Public Accountants and Auditors

Grant Thornton Malta

Ta' Xbiex

Malta

13 July 1993

# INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1992

	Notes	1992 Lm	1991 Lm
INCOME	2	319,001	138,299
EXPENDITURE		(145,991)	(115,930)
SURPLUS OF INCOME OVER EXPENDITURE		173,010	22,369
PROGRAMMES SHORTFALL PROVISION	7		(4,944)
TRANSFER TO CAPITAL RESERVE	8	(19,414)	(14,123)
TRANSFER TO RESERVE FUND	9	(10,000)	(6,000)
SURPLUS/(DEFICIT) FOR THE YEAR		143,596	(2,698)
ACCUMULATED DEFICIT BROUGHT FORWARD	)	(357,597)	(354,899)
ACCUMULATED DEFICIT CARRIED FORWARD		Lm(214,001)	Lm(357,597)

# **BALANCE SHEET**

A T 31 DECEMBER 1992

	Notes	1992 Lm	1991 Lm
FIXED ASSETS			
Tangible	3	150,215	141,432
Investment	4	1	1
		150,216	141,433
CURRENT ASSETS			
Debtors	5	12,295	3,499
Cash at bank and in hand		196,220	24,837
		208,515	28,336
CURRENT LIABILITIES			
Creditors falling due within one year	6	(32,081)	(16,129)
NET CURRENT ASSETS		176,434	12,207
TOTAL ASSETS LESS CURRENT LIABILITIES		326,650	153,640
PROVISION FOR LIABILITIES AND CHARGES	7	(339,723)	(339,723)
NET LIABILITIES		Lm (13,073)	Lm(186,083)
Capital fund	8	58,843	39,429
Reserves	9	142,085	132,085
Accumulated deficit		(214,001)	(357,597)
DEFICIENCY		Lm (13,073)	Lm(186,083)

L. MIZZI Chairman

Laurence A

A.J. ELLUL Chief Executive

# **CASH FLOW STATEMENT**

FOR THE YEAR ENDING 31 DECEMBER 1992

	Notes	1992 Lm	1991 Lm
NET CASH INFLOW FROM OPERATIONS	Α	183,883	37,682
RETURN ON INVESTMENTS			
Interest received		6,387	502
		190,270	38,184
INVESTING ACTIVITIES			
Payments to acquire tangible fixed assets		18,887	14,569
Payments to acquire investments		-	1
NET CASH OUTFLOW FROM INVESTING			
ACTIVITIES		18,887	14,570
INCREASE IN CASH AND CASH EQUIVALENTS	С	Lm171,383	Lm 23,614

### NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 1992

### A RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATIONS

		1992 Lm	1991 Lm
Surplus of income over expenditure*  Depreciation charge Increase in debtors		164,748 10,631 (6,921)	21,867 6,094 (1,711)
Increase in creditors		15,425	11,432
NET CASH INFLOW FROM OPERATION	IS .	Lm183,883	Lm 37,682
* Analysis of surplus of income over expe	enditure:		
Surplus for the year Interest receivable		173,010 (8,262)	22,369 (502)
Operating surplus		Lm164,748	Lm 21,867
B ANALYSIS OF CHANGES IN CASH A EQUIVALENTS DURING THE YEAR	and Cash		
Balance at 1 January Net cash inflow		24,837 171,383	1,223 23,614
Balance at 31 December		Lm196,220	Lm 24,837
C ANALYSIS OF THE BALANCES OF CA			
	31.12.92	31.12.91	Change in Year
Cash at bank and in hand	Lm196,220	Lm 24,837	Lm171,383

FOR THE YEAR ENDED 31 DECEMBER 1992

### 1 ACCOUNTING POLICIES

#### **BASIS OF ACCOUNTING**

The financial statements are prepared on the historical cost basis of accounting except as adjusted for the revaluation of land, buildings and antenna equipment.

#### TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost/valuation less accumulated depreciation. Depreciation is provided for on the straight line method at rates intended to write off the cost of fixed assets over their expected useful lives. The annual rates used, which are consistent with those applied in the previous year, are:

	%
Buildings	1
Studio equipment	20
Technical equipment	25
Motor vehicles	20
Furniture, fittings and office equipment	10 - 20
Transmitting antenna	4

CONTINUED

### 2 INCOME

Income is made up as follows:

	1992 Lm	1991 Lm
Government contributions	250,000	120,000
Licence fees from Programme Contractors		564
Ground rent	-	13
Bank interest	8,262	502
Application fees for sound broadcasting licence	10,150	15,000
Licence fees for nationwide sound broadcasting services	20,589	2,220
Franchise fees	30,000	-
	Lm319,001	Lm138,299

#### **TECHNICAL ASSISTANCE**

Twenty per cent of application fees and licence fees for broadcasting received by the Authority are automatically paid to the Minister responsible for Wireless and Telegraphy in terms of section 18(5) of the Broadcasting Act 1991.

CONTINUED

### 3 TANGIBLE FIXED ASSETS

	Freehold Land <b>Lm</b>	Buildings Lm	Fixtures, Fittings and Office Equip- ment Lm	Technical Equip- ment Lm	Studio Equip- ment Lm	Motor Vehicle Lm	Trans- mitting Antenna Lm	Total <b>Lm</b>
COST/VALUATION								
At 1 January 1992	34,037	42,363	29,211	4,898	718	3,947	50,340	165,514
Additions		1	5,684	13,565	165	-	-11	19,414
At 31 December 1992	34,037	42,363	34,895	18,463	883	3,947	50,340	184,928
DEPRECIATION	10-100							
At 1 January 1992	-	424	14,463	2,516	718	3,947	2,014	24,082
Charge for year		424	4,050	4,110	33	-	2,014	10,631
At 31 December 1992	-	848	18,513	6,626	751	3,947	4,028	34,713
NET BOOK VALUE At 31 December 1992	Lm34,037	Lm41,515	Lm16,382	Lm11,837	Lm 132	Lm -	Lm46,312	Lm150,215
At 31 December 1991	Lm34,037	Lm41,939	Lm14,748	Lm 2,382	Lm -	Lm -	Lm48,326	Lm141,432

CONTINUED

#### TANGIBLE FIXED ASSETS 3 Continued

Land and buildings were revalued on the basis of an open market valuation for existing use on 25 March 1991 by Mangion & Mangion Partners, Architects Civil Engineers & Consultants.

The transmitting antenna was revalued on the basis of an open market valuation for existing use on 28 August 1991 by C. Busuttil, Architect and Civil Engineer.

If the above assets had not been revalued they would have been included at the following amounts:

	1992	1991	
Cost	Lm 655	Lm 655	
Aggregate depreciation on cost	Lm -	Lm -	

The cost of fully depreciated assets still in use at the year end amount to Lm15,248 on which depreciation otherwise chargeable would have amounted to Lm2,823.

Accruals and deferred income

Lm 1	Lm 1
Lm12,295	Lm 3,499

Lm32,081

Lm16,129

CONTINUED

# 7 PROVISIONS FOR LIABILITIES AND CHARGES

The Authority was contractually obliged to spend Lm35,000 annually for the prescription and improvement of programmes on radio and television. The income of the Authority was not always sufficient to enable it to meet this commitment. Consequently, the Authority has accumulated the following shortfall:

	1992 Lm	1991 Lm
Balance at 1 January	339,723	334,779
Shortfall for the year	-	4,944
Balance at 31 December	Lm339,723	Lm339,723
The agreement expired on 28 September 1	991.	
8 CAPITAL FUND		
Balance at 1 January	39,429	25,306
Net additions to fixed assets	19,414	14,123
Balance at 31 December	Lm 58,843	Lm 39,429

### 9 RESERVES

	Revaluation reserve <b>Lm</b>	Reserve Fund <b>Lm</b>	Total <b>Lm</b>
At 1 January 1992	126,085	6,000	132,085
Transfer for the year	- Villa	10,000	10,000
At 31 December 1992	Lm126,085	Lm16,000	Lm142.085

The revaluation reserve has arisen out of a valuation carried out on fixed assets during 1991.

The reserve fund has been set up in accordance with Section 26 of the Broadcasting Act 1991.

# INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1992

	Page	1992 Lm	1991 Lm
INCOME			
Government contributions		250,000	120,000
Licence fees from Programme Contractors			564
Ground rent		-	13
Bank interest		8,262	502
Application fees		10,150	15,000
Licences		20,589	2,220
Franchise fees		30,000	-
		319,001	138,299
EXPENDITURE			
Technical assistance		6,138	3,444
Administrative expenses	90	139,853	91,180
Programme expenditure	91		21,306
		145,991	115,930
SURPLUS OF INCOME OVER EXPENDITURE		173,010	22,369
PROGRAMMES SHORTFALL PROVISION	91		(4,944)
TRANSFER TO CAPITAL RESERVE		(19,414)	(14,123)
TRANSFER TO RESERVE FUND		(10,000)	(6,000)
SURPLUS/(DEFICIT) FOR THE YEAR		Lm143,596	Lm (2,698)

# **ADMINISTRATIVE EXPENSES**

FOR THE YEAR ENDED 31 DECEMBER 1992

	1992 Lm	1991 Lm
Members honoraria	17,222	14,334
Salaries	60,355	49,040
Telecommunication expenses	2,147	1,850
Water and electricity	857	920
Insurance	Ž49	344
Rent	3,500	1,550
Stationery	2,195	1,339
Subscriptions and publications	1,449	1,015
International organisations membership fees	3,311	3,182
Repairs and maintenance	1,733	1,167
Public relations	2,089	1,554
Duty visits abroad	8,109	1,893
Anniversary celebrations		
- International conference	_	2,790
- Visiting lecturers		1,864
- Other activities	41	2,328
Transport	918	701
MBA reports and publications	1,261	1,090
Staff recruitment and training	5,456	128
Adaptation of office	273	2,017
Audience research survey	1,398	4,298
Airtime and studio charges	5,700	1,065
Advertising	2,247	570
Rentals of radio & TV sets	210	215
Sundry expenses	936	1,313
Audit fee	400	400
Legal and professional fees	6,966	4,508
Depreciation	10,631	5,796
	139,853	107,271
Expenses apportioned to programmes:		
Sound Broadcasts - (1991 - 4.275%) - to page 91		(4,586)
TV Broadcasts - (1991 - 10.725%) - to page 91	-	(11,505)
to page 89	Lm139,853	Lm 91,180

# PROGRAMME EXPENDITURE

	1992		9 months 1991	
	Lm	Sound Lm	T.V. Lm	Total Lm
AIRTIME AND STUDIO CHARGES				
Broadcasts: Script/writers				
expenses	_	- 2	338	338
Documentaries	-	-	1,801	1,801
Political broadcasts	-	775	1,809	2,584
Other broadcasts	-	37	157	194
	-	812	4,105	4,917
DEPRECIATION ON TECHNICAL				
AND STUDIO EQUIPMENT	-	89	209	298
APPORTIONMENT OF ADMINISTRATIVE EXPENSES				
From page 90	-	4,586	11,505	16,091
To page 89	_	5,487	15,819	21,306
Programmes shortfall				
provision - to page 89	-			4,944
Ln	n -			Lm26,250



Broadcasting Authority
National Road, Blata I-Bajda, Malta