



Broadcasting Authority  
Malta

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Annual Report

1996

Broadcasting Authority

Malta



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BROADCASTING AUTHORITY



L-AWTORITA' TAX-XANDIR

The Hon. Dr Alfred Sant, M.Sc., M.B.A., D.B.A. (Harvard), M.P.  
Prime Minister  
Auberge de Castille  
Valletta.

30 June, 1997  
Ref. 67/62/4

Dear Prime Minister,

In accordance with section 30 (1) of the Broadcasting Act, 1991 we have pleasure in forwarding the Broadcasting Authority's Annual Report for 1996.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Joe M Pirotta'.

Joseph M. Pirotta  
Chairman

A handwritten signature in blue ink, appearing to read 'A.J. Ellul'.

A.J. Ellul  
Chief Executive

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# A CHRONOLOGY OF THE MAIN BROADCASTING AUTHORITY ACTIVITIES 1996

- March
- Parliamentary debate on government proposed amendment of certain provisions (including provisions relating to broadcasting) in the Constitution.
- April
- Authority reappointed for a 3-year term. Professor Joe Friggieri retires at end of term and Mr Alfred Mallia Milanes appointed member of the Authority for a period of three years.
  - Radio and Television audience survey findings for 1996 announced.
  - Civil Court rules that Section 13 (4) of the Broadcasting Act (relating to party political broadcasts) is in conflict with provisions of the Constitution.
- May
- Paris conference of European regulatory authorities. Authority represented by the Chairman and by the Chief Executive.
  - Press Conference given by Chairman, Broadcasting Authority to introduce the Authority's Annual Report for 1995 and to launch the second edition of the Broadcasting Authority Programme Awards.
  - Public Accounts Committee meets to examine the Broadcasting Authority's accounts for 1994 and the Authority's Estimates for 1996.
  - Annual Broadcasting Seminar: **The Role of Advertising in Broadcasting Policy.**
  - Courtesy visit by the Authority to the President of Malta.
- June
- Official visit by the Prime Minister to the Broadcasting Authority's new offices at Hamrun.
  - Official hand over of outside broadcasting TV facilities by Melita Cable Television to the Authority.
  - Court of Appeal decision in first ever case involving the suspension of a broadcasting licence by the Authority as a disciplinary measure.
  - Commonwealth Short Story Competition: Prize Giving Ceremony for the winner and runner-up of the European region.



- |           |  |
|-----------|--|
| July      | <ul style="list-style-type: none"> <li>• Last tender (for acoustic works) in connection with the Authority's offices and studio building project awarded.</li> </ul>   |
| August    | <ul style="list-style-type: none"> <li>• Official visit by the Leader of the Opposition to the Broadcasting Authority's offices.</li> <li>• Half-day seminars organised by the Authority in connection with plans to introduce a new Code of Advertising Standards and Practice.</li> <li>• Malta represented at the General Conference of the Commonwealth Broadcasting Association held in Kuala Lumpur, Malaysia.</li> </ul>  |
| September | <ul style="list-style-type: none"> <li>• Consultative meeting with political party representatives in connection with allocation of facilities and time for general election broadcasts.</li> <li>• Dissolution of Parliament and commencement of arrangements for political broadcasting during the electoral campaign.</li> <li>• Inauguration of Channel 12 - The Community Channel on the cable television service.</li> </ul>   |
| October   | <ul style="list-style-type: none"> <li>• Electoral campaign: Authority in almost continuous session to monitor and regulate political broadcasting and deal with complaints during the sensitive electoral period.</li> <li>• Meeting with Electoral Commission to plan audio and visual coverage of the vote-counting process from Ta' Qali Counting Hall. The Authority was asked by the Commission to undertake this task on behalf of the broadcasting services.</li> <li>• Coverage of election results provided by Broadcasting Authority for all stations.</li> </ul> |
| November  | <ul style="list-style-type: none"> <li>• Conference of the European Institute for the Media held in Amsterdam. Authority represented by its Chairman and by the Chief Executive.</li> <li>• The Broadcasting Authority Programme Awards.</li> </ul>  |





*Professor Joseph M. Pirotta, Chairman  
of the Broadcasting Authority*

## Chairman's Foreword

The beginning of a new year is usually the time to look both backwards and forwards. 1996 has been the year when the Broadcasting Authority, besides continuing to address itself assiduously to its constitutional functions, really began to settle into its new premises and actually launched Channel 12 - the Community Channel. It is now, more than ever, time to take stock.

The traditional, and most certainly the core activity of the Broadcasting Authority, is its regulatory function as required of it by both the Constitution and the Broadcasting Act of 1991. Four years ago the Authority was asked by Government to add another function, that of providing a television service. This required substantial investment.

Initially this channel was to provide three main lines of programming: televising Parliament, providing access to those sectors of society which receive very limited exposure on other broadcasting services, and to screen prestigious local and foreign programmes which are often absent from local television screens as they are not considered commercially viable.

The first objective of the station has remained still-born since Parliament has not yet decided to give the go-ahead for television coverage of its sittings, the second objective is being slowly reached and activities in this direction are growing after a rather slow start, while the station's locally originated programmes - which have mainly concentrated on Maltese culture, history and heritage - have been well received critically and have made an important contribution towards raising the standards of local television. These, together with imported programmes, have clearly shown that good television can be both entertaining *and* culturally enriching. In an effort to provide an opportunity to the public at large to view these programmes the Authority is prepared to respond positively to requests from other local channels.

The Authority has endeavoured to ensure that public funds put at its disposal give the best possible return. 1997 should see the completion of the new studio although there will still remain the question of equipping it on professional lines. Once the studio is functioning the Authority will be able to turn its attention to another project which it feels will be an important contribution to local broadcasting - the opening of an Academy for Broadcasters. Here again the Authority will be open to practical suggestions as to how this objective can be reached, perhaps in conjunction with other bodies, in an effort to maximise the utilisation of facilities already existing on the island and, in so doing, minimise needless and costly duplication. The Authority believes that in this way public resources will produce the utmost return. It is therefore anxious, in the public interest, to participate in meaningful and transparent efforts to reach such an objective.



The public interest is the *raison d'être* of the Broadcasting Authority. This was the motivation for the Authority's efforts during 1996 to update the advertising code with particular emphasis on the absolute need for the clear separation of advertising material from programme content. While the Authority acknowledges that advertising revenue is the lifeblood of the industry and that advertising within set legal parameters provides an important service to the public, it cannot idly stand by while the trend to screen programmes primarily for their advertising content becomes the norm. Nor is the Authority prepared to accept practices which go against international conventions to which Malta is a signatory and which also contravene Maltese law. The importance of stimulating advertising revenue is accepted. What is definitely not accepted is the contention that proper regulation applied with an even hand is detrimental to the growth of advertising revenue or that everything else must play second fiddle to advertising to the detriment of the consumer.

The broadcasting scene is by its very nature in a state of constant flux. It is abundantly clear that a number of changes are being contemplated locally. Their exact nature will only be known once the Government publishes a White Paper on the subject. When this occurs the Authority will do its best to help stimulate public debate and to make its own views known. So far the Authority has been studying proposals for the future of broadcasting in the Maltese Islands. It will publish its proposals in the light of the debate which it is earnestly hoped will take place later this year so as to contribute towards the creation of a new vision for Maltese broadcasting in an effort to provide a more secure future for the industry and for all those involved with broadcasting.

It is important that changes introduced will be the result of consensus based on the widest possible consultation; that they will be aimed at further safeguarding the public interest by being conducive to the raising of local standards; and that they will continue to enhance our standing abroad by keeping us in line with accepted international standards of regulation which will, in turn, ensure that Malta will not become isolated on the international broadcasting scene.



Professor Joseph M Frotta  
Chairman

20 March 1997





*Antoine Ellul, Chief Executive of the Broadcasting Authority*

# REVIEW OF THE YEAR

by the Chief Executive

The year under review has been dominated by two main events: the General Elections and the launching by the Authority of the Community Channel on Channel 12 of the cable television system. Both will have a significant effect on the future of the Authority. The first is likely to usher in a process of change reflecting the new government's thinking on broadcast regulation vis-à-vis the public and private broadcasting sectors. The second marks the commencement of another phase in the chequered history of the Broadcasting Authority. Both are reviewed in more detail in subsequent sections of this report.

## *The Authority's Role*

The Broadcasting Authority was set up on 29 September 1961 as a result of the Broadcasting Ordinance 1961. Its existence was entrenched in the Constitution in 1964 which together with the Broadcasting Act 1991 provide for the following broad functions of the Authority:

- ensures the preservation of due impartiality in respect of matters of political or industrial controversy or relating to current public policy;
- fairly apportions broadcasting facilities and time between persons belonging to different political parties;
- selects and appoints radio and television station licensees and contractors;
- monitors these stations and regulates their performance in terms of their legal and licence obligations;
- ensures that the system consists of public, private and community elements that offer varied and comprehensive programming to cater for all interests and tastes.

## *The Authority and its Staff*

During the course of 1996, the Authority held 45 formal sessions when it discussed a wide variety of matters relating to broadcasting. The Authority also met on several other occasions with representatives of the political parties, constituted bodies and station managements when broadcasting policy or ad



hoc subjects were reviewed. The process of discussion and exchange of views was extended to include the President, the Prime Minister and the Leader of the Opposition.

The Authority paid a courtesy visit to the President of Malta on the 27 May when, in a very cordial atmosphere, the President and members of the Authority discussed matters of common interest relating to broadcasting.



*Visit to Broadcasting Authority by Prime Minister*

The Authority invited the then Prime Minister, Dr E.Fenech Adami for an official visit to the Authority's offices on 26 June on the occasion of the handover to the Authority by Melita Cable TV of outside broadcast TV facilities. The Prime Minister was shown around the new offices and technical facilities and was given a preview of a selection of locally originated programmes intended for the Community Channel.

A similar invitation was extended to the then Leader of the Opposition (the new Prime Minister) Dr Alfred Sant who visited the Authority on 8 August.

He complimented the Authority and its staff on the high quality of its local programming efforts for the Community Channel.

The term of office of the present members of the Board was extended for three years from 1 April 1996. Professor Joe Friggieri retired in March 1996 on completion of this term of appointment and warm appreciation is recorded for his work on behalf of the Authority. His place was taken by Mr Alfred Mallia Milanes who was appointed on 1 April 1996 for a 3-year period.



*Visit to Broadcasting Authority by Leader of Opposition*



*The Board in session*



## The Authority on 31 December, 1996

### Chairman

Professor J M Pirotta B.A., Ph D.  
(Reading)

### Members

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

Mr Alfred Mallia Milanes

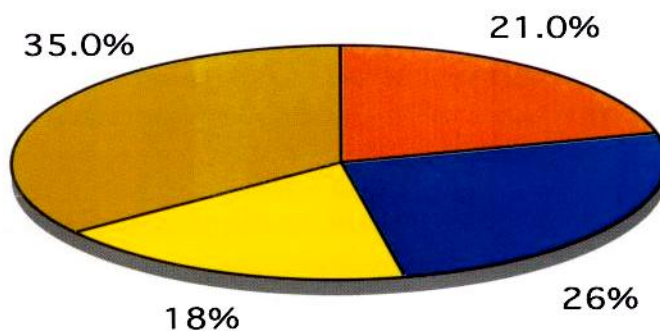
Mr Lino Mintoff B.A. (Gen), B.A.  
(Hons), Soc.

Mr Charles Mizzi

The Authority is assisted by a staff of 39 persons led by the Chief Executive who, in turn, can rely on a management structure covering the Authority's four main areas of activity: monitoring programming, finance, administration and technical support.

Chart "A" below shows the total staff complement by job profile and as allocated by sector in which personnel are engaged.

**Chart "A" - Personnel by Job Profile**



Administration	15
Monitoring	8
Production	9
Technical	7
TOTAL	39

In order to be in a position to cope with current and future challenges, the Authority was considering the commissioning of an audit of its administrative structure and management systems\*.

## *Regulation of the Media*

The Authority is mainly a regulatory body and this emerges clearly from the provisions of the Constitution where these relate to broadcasting and from the requirements laid down in the Broadcasting Act 1991. The criteria which identify the Authority's regulatory role are:

- the power to issue broadcasting licences;
- the exercise of supervision over the programme activities of radio and television broadcasters;
- the power to issue codes of standards and practice; and
- the authority to prescribe and impose sanctions where necessary.

As the number of radio and television services increases, the case for continuing regulation through controls on quality, diversity and range of programming will be debated and will need to be kept under review. Malta is a signatory of the Council of Europe Convention on Transfrontier Television and this provides for observance of, at least, minimum consumer protection measures.

Broadcasting media regulation is exercised by the Authority with the assistance of the Programme Monitoring Section which has been in existence for the last 35 years. Even at that early stage, the need for monitoring emerged from the provisions of broadcasting legislation and, more recently, from the conditions laid down in broadcasting licences. These provisions are clear in general intention but often present difficulties of interpretation.



\*MISCO was selected after a call for quotations to carry out this consultancy assignment with a full report being submitted to the Authority by the end of May 1997.

Broadcasting licensees are required to provide programmes which preserve "...due impartiality in respect of matters of political or industrial controversy or relating to current public policy" and that nothing is included in the programmes "...which offends against religious sentiment, good taste and decency..." and that a substantial proportion of the programmes is "...closely designed to appeal to the interests, tastes and outlook of the general public". The object of these requirements is obviously to leave it to the opinion of the Authority to decide whether the programmes maintain such standards. The Programme Monitoring Department was set up to report on such matters and to devote its time to the supervision of programmes. Staff complement in this section consists of the Head of Monitoring and six programme monitors.

The local television spectrum includes a public service station and two private stations one of which is owned by a political party. Two of these operate terrestrially whilst the other is on the cable television network. All three services are monitored regularly with written reports being drawn up on the evening's performance. These stations are also supervised and reports compiled as and when necessary. As regards radio services, a fairly lengthy annual monitoring exercise is taken in hand to determine whether these licensees are conforming with their licence obligations. Various matters were taken up with the stations during the course of the year and corrective action taken where necessary. Advertising practice was the main cause for concern with some of the stations infringing the rules of separation between programme content and advertising material.

The role of programme staff when monitoring radio and television programmes is one of special responsibility. This work requires broad general knowledge, sound judgement and a sensitivity of taste. It is also essential for programme monitors to have a thorough knowledge of local broadcasting legislation, licence conditions and the Authority's current programme policy.

Monitoring is also carried out on a sample basis. From time to time during the year under review, areas of programming were selected and programmes viewed and listened to by members of the staff who reported on particular aspects of the broadcasting services. Whether viewed or listened to live or from tapes, monitors are aware of the time during which a transmission takes place and report on the suitability of broadcast material. Staff members on monitoring duties are asked from time to time to contribute towards a detailed analysis of: balance and impartiality in programmes, news and current affairs, advertising content, children's programming, etc. Such detailed scrutiny becomes necessary in the process of investigating complaints.

## ***Complaints Against the Media***

Section 34 of the Broadcasting Act enables the Authority to consider complaints of unjust and unfair treatment or infringement of privacy. This provision is supported by a licence condition requiring broadcasters to keep a recording of every programme for 90 days and to produce this for examination if required by the Authority.

As 1996 was an election year the Authority was inundated with programme and other complaints of a political nature most of which originated from the political parties. In order to eliminate the political



bias as much as possible and to ensure comparability of records for a successive number of years, separate statistics have been kept for 'normal' complaints which were submitted during the year as against those filed during the electoral campaign. During the whole of 1996, the Authority dealt with 81 complaints, of which 50 were received during the limited period - 23 September to 26 October - of the electoral campaign. The comparable figures for the preceding two years were: 65 in 1995 and 24 in 1994. The following tables show the source, nature and adjudication of complaints as well as the stations involved:

*Table I - Source*

	Number	Action
Political Parties: AD	10	7 Upheld in Whole or in Part
MLP	5	1 Upheld
NP	2	2 Upheld
Individual Persons	6	4 Upheld in Whole or in Part
Constituted Bodies	6	1 Upheld
Politicians	2	1 Upheld

*Table II - Nature of Complaints*

Category	Number	Action
Accuracy	5	2 Upheld
Balance/Bias/Fairness	18	9 Upheld
Taste/Decency	3	2 Upheld
Other	5	3 Upheld



*Table III - Stations Involved*

Station	Number	Action
PBS	14	6 Upheld
Super 1 TV	8	6 Upheld
Smash TV	1	Upheld
Radio 101	4	2 Upheld
RTK	1	--
Live FM	1	--
Bay Radio	1	Upheld
Calypso Radio	1	Upheld

*Table IV - Complaints during Electoral Campaign*

Source	Number
PN	24
MLP	14
AD	9
Other	3

The majority of complaints during the electoral campaign consisted of allegations about lack of impartiality in news broadcasts and the non-observance of balance in programmes on TVM and Super 1 TV.

### ***Enforcement of Programme Standards***

It is virtually useless to lay down directives and programme standards unless there is some mechanism for their enforcement. Broadcasting licences provide for a variety of sanctions, ranging from administrative warnings via financial penalties and shortening of licence period to the ultimate sanction of licence withdrawal.

There were four instances during the year which related to measures concerning the enforcement of the Authority's instructions.

1. A 6-month licence suspension was ordered by the Authority in October 1995 due to loss of licensee's control on the operation of Live FM. The Authority later suspended its decision as a measure of goodwill and out of deference to the deliberations of the Court of Appeal which delivered its judgment on 18 June 1996. In its ruling, the Court decided that ... *"in this case (it) is satisfied that at the time of its intervention, the Authority's action was justified in order to recall (Live FM) back to order and to its obligations in terms of the licence. This intervention was also timely due to the fact that at the time the decision was taken, effective control - even for a brief period - was not being exercised by licensee to the extent that transmissions were forcefully stopped by (Mr Joe Camilleri). It was therefore the right time for the Authority to determine whether the threat over the control of the station was a real one or if this was a temporarily measure."* However, in view of the change in circumstances which showed that meanwhile *Grima Communications Ltd* had regained control over its radio station and in view of the fact that licence suspension should be considered as a last resort, the court ordered the revocation of the Authority's directive which ... *"was justified at the time that Radio Live FM's licence was suspended ..."* and since in any case, the time limit of 6 months imposed by the Authority had by then expired.
  
2. On 7 February 1996, the Authority imposed a fine of Lm300 on Smash TV for failing to observe taste and decency requirements in connection with an infringement of the Authority's family viewing policy. The fine was later conditionally suspended subject to the station giving assurances of non-repetition of similar incidents.
  
3. Instructions issued by the Authority at the start of the electoral campaign precluded prospective election candidates from taking part in broadcasting except under certain defined circumstances. This directive was defied by Radio 101 as a result of which the Authority publicly stated that a Lm500 fine would be imposed on the station if such broadcasters were not stopped forthwith. The two *Radio 101* broadcasters applied to the Court for the issue of a warrant of prohibitory injunction. This plea was denied. The Authority's order was then obeyed but the broadcasters challenged before the Constitutional Court the Authority's right to preclude them from exercising their profession during an electoral campaign. This matter is still *sub judice*.
  
4. The fourth case concerns Super 1 TV which in October 1996 was fined Lm500 for infringing impartiality requirements in connection with political election campaign information. The station questioned the Authority's right to impose such penalties and it has still not paid the fine. A judicial protest on this matter was filed in the Civil Court on 14 February, 1997.



## The 1996 Programme Awards

Producers working in the public and private broadcasting sectors representing nine radio and television stations as well as an independent programme production company submitted 29 entries for the television section and 78 entries for radio categories in this annual programme contest.

For the 1996 contest, programme categories were increased from six to nine to allow for a better distribution of entries in the appropriate classification. A list of all programme entries is in the appendices section of the report.

The programme awards were presented by Professor J M Pirotta, Chairman of the Broadcasting Authority, during a prize giving ceremony held on 30 November, 1996. For the second successive year, producers working for PBS Ltd carried off most of the prizes consisting of Lm500 for the producer, a suitably inscribed trophy for the station and diplomas. These were handed out to six winners in the radio section and five award recipients in the television section.



*To demonstrate that talent is appreciated and rewarded*

A hard working jury under the Chairmanship of Mr Joe Sammut was responsible for the selection of the 11 award winning programmes from amongst 107 programme entries. The award winners are:

### Television Section

- The programme series *il-Mazz F'Idjck* produced by Dr Georg Sapiano LL.D was awarded the prize in the Discussion Programme Category. *il-Mazz F'Idjck* was transmitted over TVM in the last months.
- The prize for the television Documentaries Section was won by Gorg Mifsud Chircop with his production entitled *ix-Xoghol Wahdu Jurik*. The programme was broadcast on TVM.
- The outstanding programme of the year in the Cultural/Educational Section was the series



Meander regularly broadcast on TVM. Francis Lia represented the production team.

- \* Alvin Scicluna, the producer of the Magazine Programme **Ghawdex Illum** was another award winner whose productions are regularly featured on the national television station.
- \* The recently inaugurated Channel: Education 22 on the cable television network, carried off the trophy in the Children's Programme Section. Michael Sciortino with his production of the programme series **Galileo** won the honours for his station.

### *Radio Section*

- \* The programme **is-Soru li M'Emmnitx** submitted in the Drama Section by John Suda and broadcast on **Radju ta' l-Università**.
- \* The honours in the Cultural/Educational Section were carried off by producers Gorg Mallia and Ivan Said who shared the prize in this category with their programmes entitled **Biex Nidhku?** and **Ilsna tan-Nar** both transmitted on University Radio.
- \* Radio Malta carried off the Documentary award with Charles Caruana's production entitled **Emmnu u Xandru**.
- \* Albert Spiteri with his programme **il-Golgota u d-Divers** won the award in the Magazine Programme Section. This programme too was broadcast on University Radio.
- \* RTK was awarded the trophy in the Light Entertainment Programme Section. Producer Dominic Said carried off the prize in this category with his programme **Le, Le Qeghdin Sew**.
- \* Drama **ghat-Tfal** produced by Joyce Gullaumier and broadcast on Radio Malta won the award in the Children's Programme Section.

### *Broadcast Advertising*

Radio and television broadcasting services form part of a complex industry because they simultaneously provide two services - programmes to listeners and viewers and audiences to advertisers. It is estimated that the local advertising sector, taken in its totality, generates a turnover of approximately Lm8 million annually. The broadcasting media, therefore, have an important role to play in this economic activity and a coherent policy must take into account the interests of both advertisers and consumers.

In order to consider the nature and extent of broadcast advertising regulation in Malta's competitive and deregulated broadcasting environment, the Authority organised a public seminar which was held on 30 May 1996. This well attended event - the fourth in the Authority's annual series of broadcasting conferences - brought together listeners and viewers, broadcasters from the public and private sectors, advertising and consumer interests. The keynote speech at this seminar was delivered by Professor Dr





*The role of advertising in broadcasting policy - an exercise in public consultation*



Bernd-Peter Lange, the Director-General of the European Institute for the Media who spoke about the European experience in the regulation of broadcast advertising. Other active participants included Chev. Maurice Mizzi, the Chairman of a company which provides radio and cable television services; Mr Anthony Mallia, the then Chief Executive of the Public Broadcasting Services; Mr Charles Mizzi a member of the Broadcasting Authority; Mr George Mifsud, the President of the Association of Advertising Agents and Mr Adrian Muscat Inglott from the Department of Consumer Affairs.

The seminar was chaired by Professor Joseph Pirotta, the Authority's Chairman.

Several aspects emerged from the seminar which demonstrated that while everyone was in favour of some form of regulation, everyone also seemed to agree that a relaxation in regulation was necessary. Because of the cut-

throat competition for advertising, the rate per advert had become ridiculously low and this cheap advertising had tended to lower standards making adverts less effective. All had agreed that advertising should be honest and truthful.

The Authority was not content with this response since it was committed to raise broadcast advertising standards to acceptable levels. Local legislation demands, amongst other things, that programme content should be distinct and separate from advertising material and as this requirement was not being observed by some of the private commercial stations, it was decided to draw up a revised code of advertising standards and practice. In doing this, the Authority took the opportunity to include provisions to safeguard the interests of children and young people as well as to regulate in a reasonable manner such areas as sponsorship, medical and comparative advertising as well as to liberalize certain areas which were previously considered as advertising of an unacceptable political nature.

In this second stage of the consultation process, the Authority organised two discussion meetings for station managements and advertising agencies to review a draft advertising code which had been prepared by the Authority. The main seminar and the two consultative meetings provided ideas for a fresh approach to broadcast advertising. Some of the suggestions were incorporated in the new Code which was then forwarded to government as required by law. By the end of the year under review, the Code had not received government approval.

## *Community Radio*

1996 saw the launch of seven new radio services. The new stations were described dryly, but accurately, as community radios because their reception was limited to an area covered by a 2.5 Km radius from



the transmission signal's point of origin. The fact that a few of these stations did not respect this limitation compelled the Authority to issue stiff warnings about such infringements of licence conditions. The transmission power level of such stations depends on the topography of their location and their power level varies from 1.6 Watts for stations on relatively high ground like Valletta to 3.6 Watts for a community radio set up in sea level areas such as Gzira.

Community radio licences can be issued by the Authority for specific occasions or to cover activities taking place over a period of not more than 30 days. Other licences are valid for a period of four years. Licences issued in 1996 were for six of the former and one of the latter type. The following is a list of Community Radio Stations which were operative during the year under review :-

Station Name	Fm Frequency	Transmission strength	Nature of Service
* Radio 106	106	3 Watts	Mainly Religious
* Radio 99	99.5	1.6 Watts	Political
* Deejays Radio	95.6	3 Watts	Commercial
* Radju Kottoner	98	2.8 Watts	Social purpose
Radju ghall-Providenza	90.3	1.6 Watts	Charitable
Love for Life	90.3	3.6 Watts	Social purpose
Luminarja	106.5 <sup>1</sup>	3 Watts	Religious
Lehen il-Qala	106.5 <sup>1</sup>	1.9 Watts	Religious
Radju Maratona	106.5 <sup>1</sup>	3.3 Watts	Charitable
Radju Z.A.K.	97.5	1.6 Watts	Youth Oriented

\* 4 - year licences

<sup>1</sup> - These stations were on air during different periods of the year.

These stations are intended to provide programming which serves "communities of interest". This can mean geographical communities, as in the case of Radju Kottoner which has the specific aim of serving the Cottonera area of Birgu, Bormla, L-Isla and surrounding area or it can mean those united by a common interest such as Radio 106 which caters for a mainly religious audience.

Very rarely does it mean as providing a service for programming of minority appeal or open access programming. On the other hand broadcasting services in general and Community Radios in particular are great fund raisers and during the 1996 Christmas period funds collected for charitable purposes amounted to over Lm104,000.



## Overseas Contacts

The Authority has always found it profitable and very necessary to keep in close contact with broadcasting developments overseas. For these reasons, the Authority belongs to, and plays a participatory role in the main activities of such bodies as the European Broadcasting Union, the Commonwealth Broadcasting Association and the European Institute for the Media.

The Authority is a founder member of the European Platform of Regulatory Authorities. This autonomous European organisation was established in April 1995 in Malta against a backdrop of internationalisation of the European media landscape. It aims to respond to the need for the informal exchange of ideas between regulatory broadcasting authorities which act independently from government. This group met in Paris in May 1996 where Malta was represented together with another 14 audiovisual regulatory authorities. The Authority's Chairman and the Chief Executive spoke about the practice of broadcast advertising in Malta and the influence which transmissions from large neighbouring countries can have on such practices.

The General Assembly of the European Broadcasting Union met in Prague in July 1996. The Authority was again represented at this meeting of European broadcasting executives which discussed developments in digital technology, the new information society and the introduction of new services to members.

*Maltese Prehistoric Art*, a programme produced by the Authority's Channel 12 staff was given a preview in Kuala Lumpur during a formal social occasion held at the conclusion of the Commonwealth Broadcasting Association General Conference. This and four other programme entries were selected from amongst those submitted by Commonwealth countries. This was one of the activities in which the Broadcasting Authority Chairman and the Chief Executive were involved during the 7-day conference held in August 1996. Another occasion for active participation presented itself during the conference sessions when the Maltese Chief Executive was asked to chair a discussion on the need of broadcast regulation during the digital age when the frequency spectrum will no longer be considered as a scarce resource. The panel of speakers included representatives from Singapore and South Africa.

Malta willingly responded to plans from conference delegates for participation in a programme exchange scheme. The main objective of this scheme is to promote greater understanding between Commonwealth countries. The focus is on social, cultural and economic development of member countries and Malta will be submitting programme material on four occasions during 1997.

The Authority's participation in the CBA General Conference was assisted by funds made available by the Commonwealth Foundation.

Foreign funding, this time made available through the British High Commission, helped to finance a 7-day visit to London in September 1996 by the Chief Executive and Authority member Mr Alfred Mallia Milanes. Through an intensive programme of business appointments set up by the UK Department of Trade and Industry, the Authority's representatives had talks with officials from various





*Board Members on U.K. familiarisation visit*

broadcasting institutions mainly, BBC Worldwide Television in connection with programming and training. Assistance for the final stages of the Authority's studio construction and equipping project was also reviewed with BBC Project Management Services who showed interest in advising the Authority should they be called upon to do so. Further talks in London revealed the possibility of new sources of television programme supply and provided the opportunity for an

exchange of views on audience research and the handling of programme complaints.

During three days of animated and well sustained debate a conference of television professionals exchanged views on responsibility in the new media landscape. This was the subject of a 3-day Forum organised by the European Institute for the Media which was held in Amsterdam and for which the Chairman, Professor J M Pirotta and the Chief Executive, Mr Antoine Ellul were invited to attend. The proliferation of new modes of communication provided the subject for lively debate about control of the new media countered by the right of freedom of expression exercised within the limits laid down by the law. A one day meeting of the European Platform of Regulatory Authorities (EPRA) was held concurrently with this conference. EPRA is developing into a distinct organisation for regulatory authorities and during the Amsterdam meeting, Malta was one of five countries which participated in discussions to plan the future of this organisation.

Another aspect of the Broadcasting Authority's contacts with its overseas colleagues is reflected in its participation in international competitions. The 1996 edition of the Commonwealth Short Story Competition produced two Maltese prize winners. Mr Charles Flores was the winner from the region which includes Europe and Canada and qualified for a £Stg.500 prize. A runner - up from the same region was Mr Vincent Vella who won £Stg.100. The two Maltese participants competed with another 157 entries from this region. The Commonwealth Short Story Competition is held annually with the aim of promoting the Commonwealth through the broadcast of high quality short stories sent in by Commonwealth writers.

A J Ellul  
Chief Executive



# Election and Political Broadcasting

The regulation of political broadcasting poses a number of problems. These arise to some extent because radio and television stations in general and TVM in particular are subject to pressure from political parties. This, in turn, is due to the fact that television has, to a great extent, replaced the public meeting in providing voters and the general public with political information and impressions. The Authority which plays a central role in all broadcasting activities has a special responsibility where political broadcasting is concerned and is bound by the provisions of the Constitution to fairly apportion broadcasting facilities and time between persons belonging to different political parties.

## General Election Broadcasts

General Elections were held in October 1996. This was the second general election held since the introduction of pluralism in radio but the first since television, directly owned and operated by political party interests, made its presence felt. It is never easy to regulate party stations but this becomes more made difficult during an election campaign when only one of the contending parties owned a TV station because the other parties did not, at the appropriate time, feel the need to acquire similar facilities. The situation in Malta at the time of the election was that all three political parties had their own radio station\* and produced an overall balanced coverage of the campaign but only the Malta Labour Party had direct access to its own television station.

In Malta the basic framework for political exposure on radio and television is set out in legislation and, in accordance with its obligations, the Authority organised a scheme of general election broadcasts which offered 844 minutes of airtime distributed as follows:-

Programmes	Parties		
	PN	MLP	AD
Press Conferences	2 X 60'	2 X 60'	1 X 45'
Debates	2 X 40'	2 X 40'	2 X 40'
Leaders' Debate	1 X 60'		
Party Productions and Political Spots	2 X 10'	2 X 10'	2 X 10'
	77'	77'	45'

The Authority discussed the scheme with all political parties and adopted their suggestions where this was considered possible by the Authority.

This series of broadcasts was transmitted on all public service television and radio stations including the Authority's Community Channel and was also offered to all private sector stations but none of these services decided to take it.

\*Alternattiva Demokratika was licensed to broadcast on a community radio service.





*General Election Broadcasts*



At the start of the election campaign, measures were taken to ensure that the media is not used, either accidentally or by design, to provide unfair advantage to any of the election contestants. The following specific directives were issued to all broadcasting operators:

- programme schedules for the duration of the electoral campaign were to be submitted for approval by the Authority;
- once approved, this schedule could not be altered except with the Authority's consent;
- all programming which included reference to political or industrial controversy or to matters relating to current public policy had to be given balanced and impartial treatment;
- during the election campaign, no prospective candidate was allowed access

to the broadcasting media except for normal news coverage, in balanced discussion programmes or in schemes of political broadcasts organised, or approved, by the Authority;

- contrary to the normal procedure which regulates the submission and consideration of programme complaints, all such complaints made during the election campaign were to be sent to the Authority for immediate scrutiny. Requests to the stations for clarifying comments were to be dealt with expeditiously. In the absence of such information from stations, the Authority would proceed with the adjudication of complaints.

Fifty complaints and counter-complaints were received during the immediate pre-election period and these were dealt with as expeditiously as possible by the Authority. A list of all such complaints is to be found in the appendices section of the report. Further reference to complaints is also made in the preceding chapter.

No sooner had the Authority gone through the hectic pre-election phase when it was again engaged in another exercise, this time involving the vote-counting process. At the request of, and following discussions with the Electoral Commission, the Authority undertook to provide live audio and visual coverage of the vote-counting process from Ta' Qali Counting Hall. This service was sub-contracted



to PBS Ltd. under the direct supervision and control of the Authority who also provided the audio and visual feeds free of charge to all broadcasting services who asked for them. All the costs of this operation were reimbursed by the Electoral Commission.

### Party Political Broadcasts

Political broadcasting is significantly different from other forms of advertising. However, it now plays a crucial part in the efficient working of an informed democracy. This area of specialised broadcasting is also regulated by law and handled by the Authority with all due attention in the interests of overall fairness and balance.

The arrangements for party political broadcasting during 1996 remained in force up to the dissolution of Parliament on 23 September. Prior to this date, programmes and airtime were distributed as follows:-

Programmes	Allocation	
	PN	MLP
Press Conferences	2 X 60'	2 X 50'
Debates	3 X 60'	3 X 55'
Wegibni	2 X 30'	2 X 25'
Party Productions and Spots	65'	60'

These airtime allocations were made following consultations with political parties represented in Parliament. The Authority also accepted the parties' contention that political programme scheduling is necessarily linked with political issues which might arise from time to time. It was, therefore, agreed that political broadcasts would be transmitted not on pre-determined dates but when the parties felt the need to make use of such airtime. The 1996 scheme also extended flexibility regarding the number of participants in debates which could vary from two to four.

A Court of Appeal ruling given in July brought to an end a controversy which had existed since 1991 when the newly enacted Broadcasting Act provided for a scheme of political broadcasts "...which fairly apportions facilities and time between different political parties **represented in Parliament**". Following legal action by Alternattiva Demokratika, the Court ruled that this section was not in conflict with the Constitution as had been decided by an earlier Civil Court judgment.

In an elaborate judgment, the Constitutional Court found that the Authority's primary function was to monitor broadcasts to ensure observance of impartiality. The Court further ruled that if legislation made it mandatory upon the Authority to produce party political broadcasts, the Authority was still bound to exercise its Constitutionally given discretionary powers to ensure impartial treatment. The Court added that the observance of balance and impartiality did not depend on isolated instances but on a wide spectrum of broadcasts which should produce evidence that opportunity of expression was



available to all political parties. The Constitutional Court stated that as legislation might be required to ensure applicability of its judgment, it had forwarded a copy of this judgment to the Speaker of the House of Representatives.

### *Anniversary Messages and Ministerial Broadcasts*

This chapter reports on activities which involve the Authority in the regulation of political broadcasting in the interests of overall fairness and balance. This type of broadcast is the ministerial or governmental announcement which should be on a wholly non-controversial matter, for example, the commemoration of events of national or international significance. There were 13 anniversary messages during the year for which 79 minutes of airtime were allocated.

Another type of broadcast is the ministerial statement of which there were none during 1996. These could be politically controversial and the opposition or any other interested party might well claim that it should have an opportunity to reply. In practice these broadcasts fell into disuse since ministers find it more profitable to secure publicity for their activities in other ways.

A list of anniversary messages delivered during 1996 is given hereunder:-

Date 1996	Subject	Speaker	Duration
11 February	World Day for the Sick	Parliamentary Secretary for Health	6'
8 March	Womens' Day	Parliamentary Secretary for Family Affairs	7'
12 May	Mother's Day	Parliamentary Secretary for Family Affairs	7'
15 May	International Day of the Family	Parliamentary Secretary for Family Affairs	8'
17 May	World Telecommunication Day	Minister for Transport, Communication & Tech.	8'
31 May	World Children's Day	Minister for Education	6'
5 June	World Environment Day	Parliamentary Secretary for the Environment	4'
16 June	Father's Day	Parliamentary Secretary for Family Affairs	5'
26 June	International Anti-Drugs Day	Minister for Home Affairs	5'
15 September	European Heritage Day	Minister of Justice and the Arts	6'
14 November	World Diabetes Day	Minister for Health	4'
1 December	World Aids Day	Minister for Health	5'
3 December	Week for the Disabled	Minister for Social Security	9'



# Channel 12 - The Community Channel

The Community Channel run by the Broadcasting Authority was officially inaugurated on Sunday, 29 September 1996. This date was selected because it coincided with the setting up of the Authority 35 years previously.

## Historical Background

The Broadcasting Authority was and remains a regulatory organisation. However, it is not a stranger to programme production. In fact, since it was constituted, it assumed responsibility for producing political programmes, first on radio and later on television. Eventually a small unit was formed within the Authority which began producing programmes in the Maltese language. At that time, schools broadcasts were also the Authority's responsibility.

However, programming on the Community Channel via the cable television service was first envisaged in the National Broadcasting Plan and subsequently took on a definite shape and commitment through a contract entered into between the Government and Melita Cable TV.



**L-Awtorità tax-Xandir  
F' għeluq il-35 sena mit-twaqqif tagħha  
bi placir tinawgura Channel 12  
L-Istazzjon tal-Komunità**

**Illum il-Hadd  
29 ta' Settembru fuq Cable TV fit-8.30p.m.**

**L-Għan ewlieni ta' dan l-istazzjon għandu jkun li joffri access lil daww is-setturi u gruppi fil-komunità li normalment ma' għandhomx l-oportunità li jidhru u jinstemgħu fuq mezzi oħra tax-xandir.**

On 3 June 1991 Government signed an agreement with Melita Cable Television granting this company a 15-year franchise to install and operate a Cable Television system for the Maltese Islands. The Company which is jointly owned by Maltese and American business interests already provides 45 channels from terrestrial and satellite stations to subscribers. The cable Operator carries all locally originated television services.

Construction of the cable system began in the Autumn of 1991 and the number of households passed with cable on 1 January 1996 stood at 145,371. On the same date, the number of houses connected to cable was 51,500, a penetration rate of 35%.

When Government originally called for proposals for the setting up of a cable television service, these proposals included the following requirements.

*The Cable Operator shall distribute a Community Television channel operated by the Broadcasting Authority. Studio facilities, equipment and training shall be provided free of charge to the Authority for interested and responsible groups who wish to partake on a voluntary basis, in local community programming. Such programming would include parliamentary proceedings, and time for political parties as well as other items of interest to the population of these Islands.*

The Authority at the time interpreted these requirements to mean that when the Community Channel is fully operational the Authority will provide **public access programming** as well as **local programming**.

The public access facility would be available to anyone who might wish to produce a programme for transmission on the Authority's channel. Use of equipment would be offered at a reasonable or nominal charge. The Authority will also provide training on the use of equipment and will help in the demonstration of recording techniques.

Local programming will include coverage of regular or particular parliamentary debates, party political broadcasts, in depth coverage of certain events i.e. annual general meetings of certain importance, and any other type of programming which would represent a cross section of local views and interests.

### *Preparatory Work*

By the end of the year under review, Channel 12 - The Community Channel, had been in operation for 350 hours but preparatory work in connection with this project started four years earlier. This intervening period was taken up by infrastructural works necessary to cope with anticipated expansion requirements. Offices and studio were constructed, staff recruited, programmes were prepared and equipment was selected and installed. The latter includes an outside broadcasting vehicle specially designed for use by the Community Channel. This equipment, donated by Melita Cable TV in terms of its agreement with government, includes a



*Producing programmes for the Community Channel*

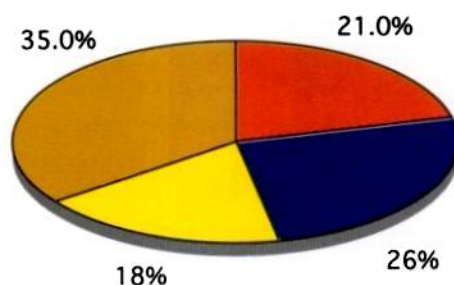


two-machine edit suite, Beta Camcorders, three cameras, video and audio mixer, microwave link and generator. The supply of this equipment together with the annual mandatory subsidy of Lm30,000 by Melita Cable TV will help to produce high quality programmes of community interest which will bring television to the people. One of the Channel's primary aims is to introduce access programming, and local councils as well as voluntary organisations and groups have already been offered use of Channel 12 facilities. Public reaction to Channel 12 programming has been mixed but mostly favourable with most press comments praising the high level of locally originated programmes but lamenting the limited reception available through the cable television network.

## *Staff and Financing*

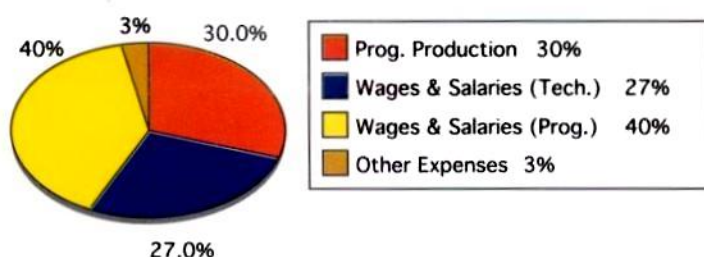
The staff complement of the Community Channel grew gradually over a period of two years and by the end of 1996 consisted of ten programme personnel and eight technical supporting staff. The following chart shares the Channel's staffing position within the Authority's organisation as a whole.

*Chart "A" - Personnel by Job Profile*



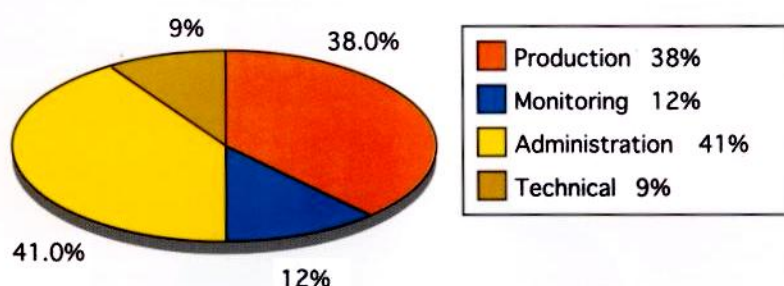
Charts "B" and "C" shown hereunder, indicate the allocation of funds both within the Channel 12 operational structure and in the context of the operating expenditure for the Authority as a whole.

*Chart "B" - Allocation of Channel 12 Expenditure*



	Lm
Wages and Salaries (Programming)	44,740
Wages and Salaries (Technical)	29,694
Programme Expenses	33,160
Other Expenses	3,606
<b>TOTAL:</b>	<b>111,200</b>

*Chart "C" - Allocation of Funds between the Various Services Provided by the Authority*



Operating Expenditure	
Administration	176,670
Monitoring	51,421
Production	164,840
Technical	37,017
<b>TOTAL</b>	<b>429,948</b>

### *Programming*

Channel 12's programme schedule for the October - December quarter of 1996 included local as well as imported programme material. The local effort which is both expensive and time consuming to produce included programmes of a historical, cultural and generally informative nature. The following is a descriptive selection of some of the programmes transmitted during the first three months of the Channel's operation:-



Wirtna	- A series of cultural documentaries which give a fresh look at Malta's heritage. Items dealt with include St Agatha's church in Rabat and its frescoes, catacombs and museums.
Kont Taf ?	- These 20-minute programmes deal with people who own unusual pets like snakes, ferrets and ostriches.
L-Ewwel Nifs	- This series features the different phases of conception and the changes which occur in a family following the birth of a new child.
Tifkiriet ta' L-Imghoddi	- This is an inquisitive series which deals with certain ancient trades like how our forefathers built guitars for their folk singers; how the Maltese clock was put together and how honey was made from wine.
Bliet Iffortifikati	- These programmes explore the origins of the magnificent cities built by the Knights of St. John and help to create more awareness of Malta's historical richness.
Take Off (Series 1)	- A series of six documentaries which traces the development of aviation in Malta over its 81-year history. Most of the material for these programmes consists of aerial shots and action scenes have been re-enacted for dramatic effect.
Djar Antiki Maltin	- Eight documentaries about stately Maltese houses. Apart from trying to foster more appreciation for the architectural style of old Maltese houses, these programmes include short interviews with the owners who talk about the history of these old buildings.
Emergency '196'	- Telephone number 196 is reserved for emergencies. How does one cope in situations when there is an accident at the place of work? or when someone has a heart attack? This series explores various tricky situations and helps to provide assistance through certain dramatised scenes.
Il-Kunsill Tieghek	- Weekly programmes about the various activities of Local Councils.
Birgu	- A 20-minute documentary which looks at Vittoriosa's history, heritage and pageantry. The programme was filmed during the 3-day Birgu fest organised by the National Tourism Organisation of Malta.
"It-Turizmu... U Ahna?"	- Tourists in the Maltese islands are often taken for granted by many locals who do not realise how their attitude can have a considerable impact on Malta's largest industry. This documentary takes a look at the works and training opportunities within the tourism industry, and investigates



how the Maltese can improve their attitude and be more conscious of making foreigners' visits more welcome.

- Taht l-Ahhar Saltna      -    The thirteen programmes which make up the series not only concentrate on the political and constitutional changes which the Island underwent during the British period but also cover events of great social importance such as the Eucharistic Congress of 1913, improvements in transport and communications as well as the economic impact of the Crimean War.
- Il-Muzew Marittimu      -    The Maritime Museum, although inaugurated a few years ago, is probably one of our most imposing museums. It is located on the shores of Birgu in the building known as the "Naval Bakery" and houses a collection of exhibits that show the influence that the Mediterranean had on the history of our Island.



# RADIO AND TELEVISION AUDIENCE SURVEY- 1996

Since 1990, the Authority has been commissioning nationwide audience surveys to assess public attitudes towards different sectors of broadcasting. The 1996 survey which was carried out on behalf of the Authority by Malta University Services covers a number of areas such as listening and viewing patterns, audience preference for news and includes figures to show the average radio and television audience share for each local station as well as for certain Italian television stations and satellite services.

Fieldwork for this research exercise was conducted through personal interviews in private homes during the period 12 - 18 March 1996. Respondents were selected by the standard random sampling procedure from a national sample of 1001 persons scientifically chosen from the latest edition of the Electoral Register for Local Councils. Besides Maltese nationals of voting age, the register includes all permanent foreign residents.

The following is a summary of the main findings of the 1996 Broadcasting Authority study.

## *Average Audience Shares*

There are currently twelve national radio stations operating in Malta. Of these, the widest support continued to be given to Super I Radio. This study showed that actual average daily audience (as defined for the purpose of this study to allow direct comparison with the 1995 report) for this station was 3.16% of those residing in Malta.

The next two stations were RTK and Radio Malta 1. The average daily audience for these two stations was established at 2.2% and 1.56% respectively. Given the nature of these two radio stations (respectively run as a Church station and as a state owned public broadcasting service with very similar features) the split was extremely interesting. The programme profile of radio stations in Malta has now more or less stabilized and it is especially interesting to note how the audience base has evolved and shifted across stations over the last year.

The data in Table 1, which is also graphically presented in chart form, summarizes the comparative figures for the daily average radio audience levels for 1995 and 1996, computed on the basis of available time-slots for each station during the hours each individual station was on air.

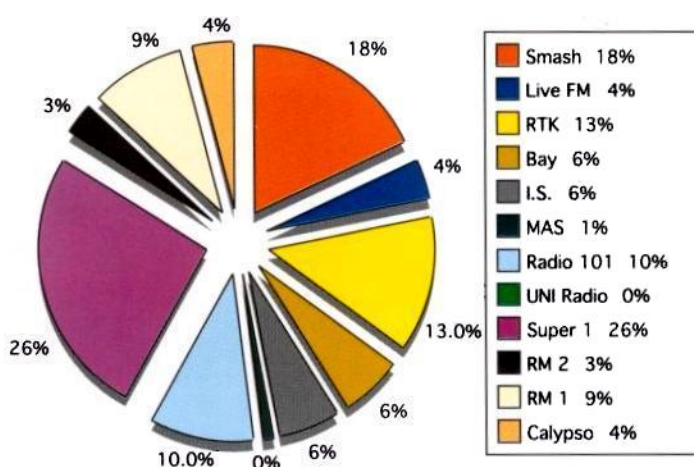


*Table 1 - Daily Average Audience Levels - Radio 1995-96*

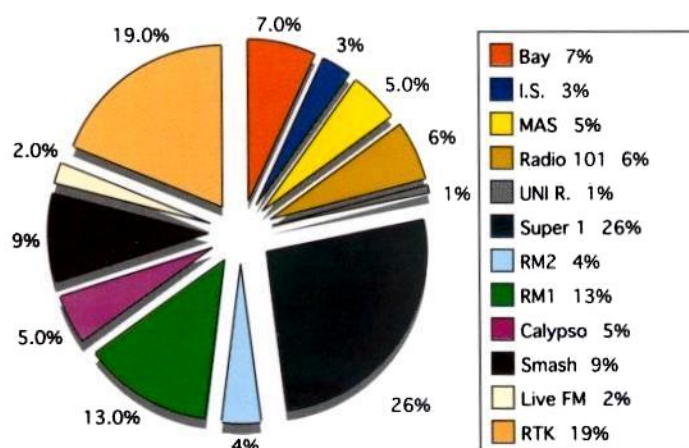
(computed on the basis of available time-slots for each station)

DAILY AVERAGE	RM 1	RM 2	SUP 1	UNIV	101	MAS	ISL	BAY	RTK	LFM	SMSH	CALY
1995	086	0.24	2.43	0.04	0.94	0.05	0.60	0.57	1.19	0.34	1.63	0.39
1996	1.56	0.47	3.16	0.06	0.72	0.59	0.40	0.88	2.22	0.22	1.09	0.56

*Chart 1 - Daily Average Audience Radio Levels - 1995*



*Chart 2 - Daily Average Audience Radio Levels - 1996*



Interesting contrasts emerged between the expressed public preferences in respect of TV stations. Actual audience levels showed that the Maltese were keenly interested in news on the local television stations. Because of this, the number of Maltese who watched TVM reached a peak of 47.90% of the resident population over 14 years.

TVM's performance was followed by Super 1 TV with a peak of 19.58%. Translated into actual viewers, these percentages mean that the audiences for news on TVM and Super 1 TV were 141,000 and 58,000 respectively.

Prime time for television in Malta remains, for obvious reasons, evening viewing, with TVM news as the main focus. On many days of the week, however the station loses a significant segment of its audience to foreign stations. The audience spread over the groups of stations analyzed in this study, was in fact, quite revealing. Even though it lost some of its audience immediately after the news, TVM managed to retain viewers' interest for the one or two hours after the news through discussion programmes, but the Mediaset group of stations, despite the language differences, continued to attract large local audiences. The three RAI stations follow: these managed to build a sizable audience after 9.00 p.m., with the highest peak registered on Monday at 15.73%. Satellite stations are not universally received, since this tier of cable reception was, at the time of the survey, limited to about 27.5% of respondents, and the costs of installing multi-satellite receiving dishes are still high. The figures related to these stations have, therefore, to be interpreted with extreme care and the situation might change in future. This comment applies particularly to Smash TV where reception is restricted to the cable network as, unlike other local stations, Smash TV is not transmitted terrestrially.

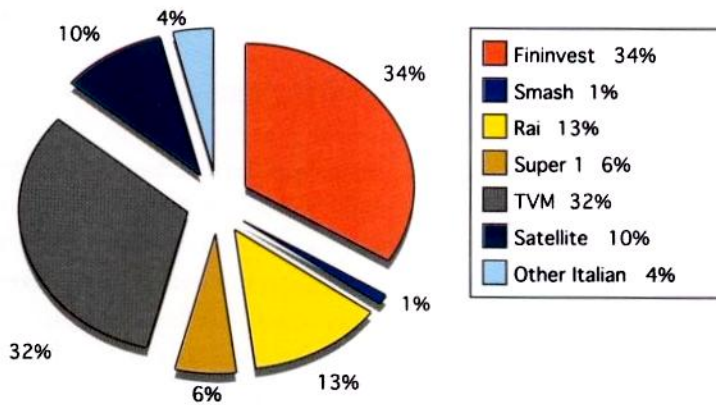
The data in Table 2, which is also graphically presented in chart form, summarises the comparative figures for the daily average TV audience levels for 1995 and 1996, also computed on the basis of available time-slots for each station during the hours each individual station was on air. The 1996 study showed that over the last twelve months, the only TV Channel that did not experience a shift was Smash TV. A decrease was registered by TVM (-2%), by Fininvest (-3%), by the group of Other Italian Stations (-2%). On the other hand, increases were registered by Super 1 TV (+5%) and by RAI (+4%).

*Table 2: Daily Average Audience Levels - TV 1995-96*

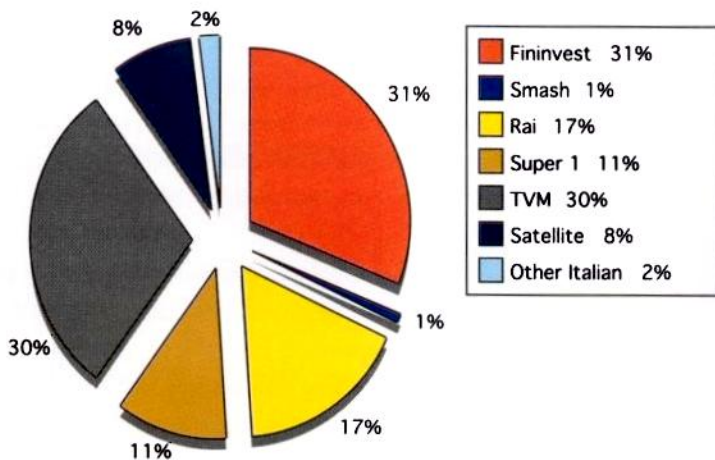
(computed on the basis of available time-slots for each station)

DAILY AVERAGE	TVM	SUPER 1	RAI	SMASH	MEDIASET	Other Italian	SATELLITE
1995	2.70	0.50	1.10	0.10	2.90	0.30	0.80
1996	3.14	1.18	1.73	0.10	3.16	0.23	0.82

*Chart 3 - Daily Average Audience TV Levels -1995*



*Chart 4 - Daily Average Audience TV Levels -1996*



### *Preferred sources of news*

Most people turn to various sources for local and foreign news. However, of the three mass media, television was the most important for local news with 65.1% of first preferences. This was followed by 19.9% who prefer radio whilst 10.9% opted for newspapers. The rest expressed no special preference. Foreign news followed a similar pattern. Of all respondents, 67.4% preferred television; 15.5% opted for radio and 9.2% preferred newspapers. Two percent stated that they get their foreign news from other persons and the remaining 5.9% did not prefer any particular medium as their source of foreign news.



## *Programme Preference*

Music and local news were the two most preferred types of radio programmes, with 82.50% and 74.70% respectively. Foreign News and Discussion programmes followed with 68.10% and 61.20% respectively. The profile of the different radio stations, as perceived by the Maltese, can be interestingly revealing if the findings of the report relating to which stations were ranked in twelve different programme sectors are studied in detail, because these allow analysis beyond the absolute audience figures, into the realm of values.

*Table 3 summarises the general preferences for radio programme sectors*

Programme Sector	%
Music	82.50
Local News	74.70
Foreign News	68.10
Discussions	61.20
Religion	50.60
Health/Beauty/Home/Law	46.70
Current Affairs	42.20
Sports	37.50
Culture	36.40
Novels/Plays	35.60
Children	20.30
Money/Business	19.00

As far as TV is concerned, local news continued to be the major interest, with 89.30% general preference, followed by foreign news at 85.30%. This was followed by the Weather programme (78.20%) and Feature Films (72%). Over 60% of the Maltese expressed preferences for Documentaries, Quizzes, Game Shows and Variety Programmes on TV. Again it was interesting to watch the audience shifts, especially those occurring in respect of the audiences local stations manage to attract.



*Table 4 provides data relating to the seventeen sectors questioned about in the study.*

Programme Sector	%
Local News	89.30
Foreign News	85.30
Weather	78.20
Feature Films	72.00
Documentaries	63.10
Quizzes/Fame Shows/Vareity Prog.	60.40
Discussions	56.10
Sports	55.30
Religion	39.30
Women's Programmes	36.80
Current Affairs	36.30
Plays	35.00
Music Video - Clips	33.70
Art & Culture	33.50
Serials/Soap Operas	32.50
Children's Programmes	29.00
Business & Finance	18.10

## *Conclusion*

The overall findings of this study consolidated those of previous ones in many ways and at the same time pointed to important shifts. There continued to exist in Malta a constant demand for the media. The market for the supply of services for information, education and entertainment seemed to be stabilizing in many respects. The programme likes and dislikes of the general radio and television audiences are becoming more selective in some areas, and this, with other processes that may be at play in wider society, are bound to continue to affect what succeeds and what fails to attract the customers' attention and time in the years to come.



# Appendices



**PBS Radio and Television  
Programme Statistics**

**Radio Malta 1 Schedule Statistics  
Annual Statistics 1996**

	Airtime Hrs	% of Airtime	Heading Total Hrs	% of Airtime
<b>News &amp; Current Affairs</b>				
News	424.68	6.86		
Current Affairs	77.58	1.25		
			502.26	8.12
<b>Information</b>				
Talks & Discussions	643.83	10.41		
Documentaries	208.57	3.37		
Religious Programmes	192.33	3.11		
Magazine Programmes	410.58	6.64		
Women's Programmes	314.17	5.08		
Children's Programmes	107.25	1.73		
Sports	286.00	4.62		
			2,162.74	34.96
<b>Cultural</b>				
Informative	331.50	5.36		
Arts & Literature	334.75	5.41		
			666.25	10.77
<b>Entertaining</b>				
Drama	169.00	2.73		
Readings	305.50	4.94		
Variety	46.22	0.75		
Serious Music	349.08	5.64		
Folk & Village Band Music	259.25	4.19		
Light, Popular Music	1,295.51	20.94		
Quizzes & Panel Games				
			2,424.56	39.19
<b>Others</b>				
Political Broadcasts	10.25	0.17		
Parliamentary Reports				
Parliamentary Debates				
Ministerial Broadcasts				
Miscellaneous	420.58	6.80		
			430.83	6.96



***Radio Malta 2 Schedule Statistics  
Annual Statistics 1996***

	Airtime Hrs	% of Airtime	Heading Total Hrs	% of Airtime
<b>News &amp; Current Affairs</b>				
News	404.53	6.54		
Current Affairs	39.00	0.63		
			443.53	7.17
<b>Information</b>				
Talks & Discussions	240.50	3.89		
Documentaries	74.75	1.21		
Women's Programmes	36.83	0.60		
Children's Programmes				
Sports	262.16	4.24		
			614.24	9.93
<b>Cultural</b>				
Educational	151.67	2.45		
Arts & Literature	65.00	1.05		
			216.67	3.50
<b>Entertaining</b>				
Drama	26.00	0.42		
Readings	13.00	0.21		
Variety	68.25	1.10		
Serious Music	388.91	6.29		
Folk & Village Band Music*	22.75	0.37		
Light, Popular Music	3,715.13	60.04		
			4,234.04	68.43
<b>Others</b>				
Political Broadcasts	10.25	0.17		
Parliamentary Reports				
Parliamentary Debates	290.60	4.70		
Ministerial Broadcasts				
Miscellaneous	378.00	6.11		
			678.85	10.97



## *Television Programme Statistics*

Figures from January to December 1996

	Average Weekly Hours 1996	Percentage of Total Broadcasting Time
<b>Total</b>	79.67	100
<b>News &amp; Current Affairs</b>		
News	8.75	10.98
Current Affairs	1.67	2.10
Discussions	2.37	2.98
Interviews	0.24	0.30
<b>Information</b>		
Informative	0.37	0.46
Documentaries	5.04	6.33
Religious Programmes	2.12	2.66
Magazine Programmes	5.64	7.08
Sports	9.16	10.49
Health	0.46	0.57
<b>Cultural</b>		
Arts & Literature	2.01	2.48
<b>Children's Programmes</b>		
Cartoons	2.55	3.20
Information & Education	4.15	5.21
Series	1.03	1.30
<b>Entertainment</b>		
Drama	0.89	1.12
Series	12.69	15.92
Comedies	1.56	1.96
Serious Music	1.77	2.22
Pop Music	0.55	0.41
Folk Music	0.00	0.00
Variety Shows, Quizzes, Games	2.04	2.56
Feature Films/T.V. Movies	9.14	11.48
<b>Others</b>		
Political Broadcasts	0.51	0.64
Parliamentary Reports	0.06	0.07
Parliamentary Debates	0.00	0.00
Minsiterial Talks	0.02	0.02
Anniversary Messages	0.08	0.09
Advertising	2.38	2.99
Miscellaneous	2.42	3.03
Public Service Campaign	0.23	0.29

	Average Weekly Hours January - December 1996	Percentage January - December 1996
Satellite	30.78	49.03
Local	39.08	50.97
Foreign	40.60	



advertising spots, teleshopping spots and other means of advertising. However, the transmission time for advertising spots will not have to exceed 15% of the daily transmission time. Moreover, the amount of advertising spots and teleshopping spots within a given clock hour will not exceed 20%.

The new developments are mainly linked to teleshopping. The channels exclusively devoted to teleshopping will not have to respect, of course, such rules<sup>8</sup>.

## II Cooperation between the Regulatory Bodies:

### A *Diversity of socio-cultural traditions and building up the European market*

1. The transnational dimension of Broadcasting raises a political question: how to find a balance between, on the one side, the wish to foster the economic development of the market, particularly the free movement of service symbolised by Article 59 of the Treaty of Rome, and, on the other side, the wish to respect the public interest i.e. the interest of the viewers and consumers in a specific cultural environment.
2. The diversity of socio-cultural traditions is unavoidable. The draftsmen of the Directive undoubtedly bore this fact in mind when they inserted article 3 of the Directive which leaves Member States free to require television broadcasters, under their jurisdiction, to lay down more detailed or stricter rules in the area covered by the Directive.

### B *The two sides of the principle of non discrimination between the broadcasters.*

1. The paradox of Member States having more detailed or stricter rules is that a discrimination between domestic and non-domestic broadcasters could be to the detriment of the former. Equity must be maintained between the broadcasters.

In order to maintain this equity, only an institutional approach can be recommended: a legal instrument to determine the law which applies - i.e. an agreement as it is proposed for a new drafting of Article 2. Effectively, according to article 2, each member state shall ensure that all television broadcasts transmitted by broadcasters under its jurisdiction comply with the rules of the system of law applicable to broadcasts intended for the public in that member state. Moreover, they have to ensure freedom of reception and shall not restrict re-transmission on their territory except in the following cases:

- infringement of articles 22 (protection of minors);
- in the case that during the previous 12 months, the broadcaster has infringed the same provision on at least two prior occasions;

<sup>8</sup> According to the amended article 18a: « windows devoted to teleshopping broadcast by a channel not exclusively devoted to teleshopping shall be of a minimum uninterrupted duration of 15 minutes. Their overall duration shall not exceed three hours per day. They must be clearly identified as 'teleshopping windows' by optical and/or acoustic means ».



# Broadcasting Seminar

*Hotel Phoenicia  
30th May 1996*

*Key-note address  
delivered by foreign guest speaker  
Professor B. P. Lange  
The European Institute for the Media - Dusseldorf*

## The Regulation of Broadcast Advertising: The European Experience

### *Introduction*

Thank you for the warm welcome which I always receive in Malta.

Let me begin by telling you in brief about the European Institute for the Media which has three main strands. These are comparative research, the Forum and the East-West programme. In addition the European Platform for Regulatory Agencies (EPRA) was established last year in Malta.

The theme of my speech is The Regulation of Broadcast Advertising - the European Experience.

I would first like to point out that commercial broadcasters need to obtain funding from advertising and that profit maximisation, by exploiting all means of advertising in the world of broadcasting, is a legitimate goal.

On the other hand, broadcasting, in the European tradition does not fall into the category of a "normal" service on the market.

Content (information, entertainment, education) must be orientated towards the public interest with a clear distinction between programmes and advertising. The programme can not become the well prepared framework of the advertising. Take for example a friendly journalistic article, in a newspaper, on the development of an enterprise and beneath this an advert for the same company: This is not professional journalism and so this cannot be a model for broadcasting in the public interest.

Drawing strict lines between programming and advertising is a form of consumer protection, protection of the functioning of competition in the markets and of the functioning of democracy. As the consumer,



the citizens have to know when they are confronted with large commercial offers to buy something or offers to remind them of a corporate identity or to link a "good feeling" to a product or political offer on the one side and where the programme is under the responsibility of well trained journalists, that do not want to sell products or services but have to fulfil their profession as mediators between society (politics, economy and culture etc.) and the general public.

The points I would therefore like to emphasise are as follows:

Firstly, I would like to speak about the legal framework for advertising on the European level, then discuss the format of advertising and its content.

Secondly, I shall address crucial examples of transgressions in the fields of : advertising and programming, sponsorship and teleshopping

Finally, I would like to come back to the question of how to harmonise the application of common rules in these fields in Europe.

At first glance, starting another discussion on the regulation of broadcast advertising seems to be redundant. Effectively, taking into account the two main texts at the European level - i.e. the EC Directive from October 1989 (see footnotes 1&2) and the European Convention on Transfrontier Television from the 15 March 1989 (see footnotes 1&2)- the question was, in principle, answered 7 years ago between and within the member states of both institutions. Advertising is also one of the more detailed topics of the Directive and the Convention. The answers to the question, in substance, are still to be given.

The questions have been raised several times during the meeting of our working group on audio-visual regulation and policy during the European Television and Film Forum and, recently within the European Platform of Regulatory Agencies (EPRA). Your experience with the Italian broadcasters underlines the necessity to obtain a European consensus and cooperation between the regulatory bodies involved.

To obtain consensus, a distinction has to be made between regulation of the advertising format (I) and regulation of the content of advertising.

To obtain cooperation, the questions of which law applies and of which responsible authority has to control and, eventually, to sanction must be raised (II).

## **I A need for consensus at the European level**

### **A Definitions at the heart of a European regulation**



Definitions of advertising and sponsorship were given in the EC Directive and in the Convention <sup>1</sup>. The interest of the definitions provided is, on one side; to link advertising to an activity having a trading purpose (any form of announcement broadcast in return for payment or for similar consideration). On the other side, to be precise about the content of advertising (to promote the supply of goods or services, or rights or obligations, to advance a cause or idea or to bring about some other effect desired by the advertiser). Thus, all the announcements of public interest are outside the field of implementation within the definitions.

That does not mean that all problems are solved. There are some difficulties with the implementation of the definitions provided by the Convention and the Directive.

## *Definitions of Advertising*

I would like to give two examples:

How a definition on "surreptitious advertising" <sup>2</sup> should be made? Everyone has in mind some examples of programmes providing information on products or services for the consumers. When such programmes are sponsored and when there is a showing of the products or services provided by the sponsor, where is the boundary between programming and advertising? (Taking into account the obligation to have a clear announcement of advertising or a clear identification of the sponsor). The fact that the Directive links such advertising with intentional behaviour, "in particular if it is done in return for payment or for similar consideration", had the consequence of raising some difficulties in the implementation of the definition mainly because this intentional behaviour is not easy to prove. Thus, some national regulations have a definition closer to the one provided by Article 13-3 of the Convention which does not make this link. This is the case for France <sup>3</sup>.

There is a great difficulty to regulate the so-called practice of "product placement" - this gap also has to be filled. This practice has been used for the movies (Terminator II and Golden Eye as well as in the BMW and Pepsi Cola adverts amongst others). Although it is acceptable for movies, taking into account the principle of freedom to contract, the difficulty is to determine the difference between "product placement" and "surreptitious advertising" for audio-visual programmes.

To handle the cases with a systematic approach, I start with discussing the distinctions between advertising and programming.

1. According to Article 1 of the EC Directive "television advertising" means any form of announcement broadcast in return for payment or for similar consideration by a public or private undertaking in connection with trade, business, craft or profession in order to promote the supply of goods or services, including immovable property, or rights and obligations, in return for payment". The Convention one is slightly different: "any public announcement intended to promote the sale purchase or rental of a product or service, to advance a cause or idea or to bring about some other effect desired by the advertiser, for which transmission time has been given to the advertiser for remuneration or similar consideration".

2. Article 1 (c) of the Directive: "surreptitious advertising", means the representation in words or pictures of goods, service, the name, the trade mark or activities of a producer of goods or a provider of services in programmes when such representation is intended by the broadcaster to serve advertising and might mislead the public as to its nature. Such representation is considered to be intentional in particular if it is done in return for payment or for similar consideration". According to article 13-3 of the Convention: "Surreptitious advertisements shall not be allowed, in particular the presentation of products or services in programmes when it serves advertising purposes".

3. See Decree no. 92-280, 27 March 1992.



## *Distinguishing between Advertising and Programming*

In this respect there are two crucial aspects to be discussed. Firstly, the announcement of the advertising blocks has to be clear as well as eye and ear catching. A jingle used repetitively at the start and end of each advertising block is a well established means in accordance with the mentioned announcement requirements. Advertising of a single product or a single company as an interruption of a programme even if it is well specified as advertising is not acceptable.

Secondly, there is the problem of evaluation of product placement. If in a detective series the chief detective is always driving a BMW, this is not a direct advertisement but it is helpful in building up a corporate identity or image in the public. It is well known that big car companies are lining up to offer their high profile cars to be used in fiction series. In a broad sense the advertising purpose is clear in these activities.

Under this assumption it should not be accepted that very popular television series are "promoting" the same product, when there is a positive connotation with the "hero".

The other problem with product placement is in game shows. Only if the prizes represent the diversity of the respective products and if the presentation of the prizes is not the main purpose of the game show is this kind of product placement acceptable.

## *Sponsorship*

The rules for sponsorship afford a clear distinction between the mentioning of the sponsor and the programme. Also: the sponsor may not have specific commercial interest in the sponsored programme.

The discussion in this respect is related to the mentioning of the sponsor with moving pictures - only in Germany is this allowed and only for five seconds. Normally the mentioning has to be in a standstill picture with mainly text. The other part of the discussion is concerning product placement. The application of the rules already discussed should be applied here even stricter. Also the repetition of the logo of a sponsor in the sponsored programme is not acceptable.

### *New developments on sponsorship*

The discussion on sponsorship, started in the early 1980s, and it is still on the agenda. To sum up, there are some specific obligations to be applied by the broadcasters within the national regulation, the Directive and the Convention. These obligations are:

- The editorial independence of the producer. The content of the programming does not have to be influenced by the sponsor;
- No representation of the sponsor's products or services have to be shown during the programming;
- At the beginning and at the end of the programme, the sponsor had to be clearly identified.



Some difficulties occur in the implementation of such rules. I suggest to open the debate on some of the relevant cases:

Case no 1: the representation of the sponsor's product or service, in the programme, is considered as surreptitious advertising. That was the case for one of the most popular entertainment programmes called *Sacree' soiree*, which is broadcast on the French channel TFI. The fact that a product of the sponsor, the next Peugeot 106, was featured during the programme was considered by the French regulatory body, the Conseil Superieur de l'Audiovisuel, as surreptitious advertising. The editorial programming was directly influenced, during 7 minutes by the sponsor.<sup>4</sup>

Case no 2: during game shows, the sponsor's product or service are gifts for the winner of the game. In order to avoid strict rules that would have the consequence to prohibit these programmes, such practices are allowed. However, this is not considered as surreptitious advertising except when the prizes are shown in a non-promotional manner.

Case no 3: there is a huge discussion on the logo or other technical identification of the sponsor (sound) which appears during the programme for example with some sport events. It seems that the practice of using the logo during the event or the programme is not allowed even if the use of such practice is punctual and discreet.

No doubt that the regulatory bodies have a great responsibility in controlling the implementation of this regulation.

## *Teleshopping*

Here the discussion focuses on the question of how to define teleshopping. The ITC in the U.K. takes the view, that a whole teleshopping channel does not fall under the regulation of teleshopping by the Directive. They argue that the directive applies only if the broadcaster has to pay for the programming.

If we accept this argument the teleshopping channels have to be well announced as something other than "normal" broadcasting channels. We do live in a media world, where we link content expectations to specific institutional arrangements. If we go to a department store we know what we will do there and what we will buy. If we look at the offers of a homeshopping channel we have to know what it is and that is an electronic department store.

New forms of advertising have appeared and have developed such as the so-called <informercial> - a flow of commercials interrupted by flashes of information.

With the new Directive proposal, the EU Member States appear to want the practice of "informercial" in the definition relating to advertising. This addition will be useful for the regulatory bodies which deal with control of programmes. This question was raised in the second meeting of EPRA, in Crete,

<sup>4</sup> See CSA, Decision no 94-399, 7 July 1994.



by the Commissariaat voor de Media. The Dutch regulatory body has tested both the RTL 4 and RTL 5 programmes with regard to the stipulations of the Directive. The conclusion was that this practice was not inconsistent with the Directive. The new text seems to clarify the interpretation. For example, a preliminary question was also raised on this topic by an Italian administrative court (*Tribunale Amministrativo Regionale del Lazio*) to the European Court of Justice. So far neither the Commission nor the Court have made their hearing official. The importance to insert this category in the definition provided by the Directive can be illustrated by the difficulty to define the amount of advertising allowed. I shall come back to this point later on. No doubt the new proposal will solve this problem.

The positive aspect of the Directive's new proposal is to insert teleshopping in Chapter IV of the Directive. The last version, made available to the public, defines teleshopping as "direct offers broadcast to the public with a view to the supply of goods or services, including immovable property, or rights and obligations, in return for payment". The discussion is still open as there are some reservations mainly coming from Italy.

The Directive seems to cover the whole field of advertising without being exhaustive. However, this is an important point to be clarified because all the fields which are not covered by the Directive are regulated by the national laws and thus are a source of litigation particularly if we take into account the *transnational dimension of Broadcasting*.

Up to now I have spoken about the format of advertising. Now I would like to turn to:

#### **B. Diversity of culture: difficulties to harmonise advertising content**

There is difficulty to harmonise regulation on the content of advertising. I am mainly speaking about "information of a commercial nature". Effectively, in order to preserve equality between political parties, political advertising is strictly regulated by national laws. *But, does the principle of freedom of expression apply to information of a commercial nature?*

1. Regulating the content of advertising may present a danger if we take into account the fact that according to the European Court of Human Rights the "information of a commercial nature" falls under the protection of Article 10 of the European Convention on Human Rights.<sup>5</sup> However, within the framework of the Council of Europe, either the European Commission or the European Court built a second degree of protection giving the commercial speech less protection than any other types of speech and information<sup>6</sup>.

The Court on several occasions held that "the test of necessity should be a less strict one when applied to restraints imposed on commercial ideas"<sup>7</sup>.

<sup>5</sup> Both the Council of Europe Convention and the EC Directive refer to Article 10. It could be noticed that in the US the First Amendment and thus the Supreme Court also protect the "commercial speech";

<sup>6</sup> According to the Court there must be a "pressing social need" for any restriction on this freedom of communication and must be proven to be really necessary in a democratic society i.e. justifiable in principle and proportionate;

<sup>7</sup> See for instance the Church of Scientology case (1979);



2. The difficulty does not provide for the implementation of the political democratic value on the base of which the European Convention on Human Rights is built, but mainly on the fact that there is a diversity of social values: How to obtain a uniform concept of "moral" and "what is moral"!
3. Both the EC Directive and the Convention have already regulated the content of advertising. According to Article 13 of the Directive, "all forms of television advertising for cigarettes and other tobacco products shall be prohibited". Even if the Directive limits advertising of alcoholic beverages, there is still the question of political adverts.
4. In the European Commission, the main discussion during the negotiation for a new directive proposal relies on advertising and protection of minors. Under pressure from the Scandinavian countries, the commission will have to solve the problem through the tremendous task of finding a compromise between Scandinavian regulation where advertising for children, is not allowed and other members states' regulation where advertising for children, even if regulated, is a good source of income for broadcasters.

Another debate still open at the European level, is the problem of products prohibited. The pharmaceutical companies lobby, in Brussels, in order to obtain the right to use sponsorship. A compromise solution is proposed by the Council and the European Parliament. In the last version amended, a new paragraph is added to article 17 (2):

"Sponsorship of television programmes by undertakings whose activities include the manufacture or sale of medical treatment may promote the name or the image of the undertaking and may not promote specific medical products or medical treatments only available on prescription".

### *How is the amount of advertising allowed calculated?*

The problems of definition which I have just raised have direct consequences on how the amount of advertising allowed in the daily transmission is calculated.

The example of infomercial illustrates the fact that the new form of advertising can circumvent the rules. The question is how to qualify this new programming. It seems that a distinction has to be made with teleshopping, the latest being "direct offers to the public". Could such infomercials be assimilated to spot advertising? They are considered as a "scenic continuity" of the programme. However, it will be easier to consider this form of advertising as teleshopping: Firstly, because this type of programming is more time consuming; Secondly, because both programmes are produced by the broadcaster or the producer of the programme.

In order to clarify the calculation of the allowed amount, it seems that the new proposals will take into consideration four categories: spot advertising, sponsorship, teleshopping and infomercial.

The amended Directive will probably allow an amount of 20% of the daily transmission time for



advertising spots, teleshopping spots and other means of advertising. However, the transmission time for advertising spots will not have to exceed 15% of the daily transmission time. Moreover, the amount of advertising spots and teleshopping spots within a given clock hour will not exceed 20%.

The new developments are mainly linked to teleshopping. The channels exclusively devoted to teleshopping will not have to respect, of course, such rules<sup>8</sup>.

## II Cooperation between the Regulatory Bodies:

### A Diversity of socio-cultural traditions and building up the European market

1. The transnational dimension of Broadcasting raises a political question: how to find a balance between, on the one side, the wish to foster the economic development of the market, particularly the free movement of service symbolised by Article 59 of the Treaty of Rome, and, on the other side, the wish to respect the public interest i.e. the interest of the viewers and consumers in a specific cultural environment.
2. The diversity of socio-cultural traditions is unavoidable. The draftsmen of the Directive undoubtedly bore this fact in mind when they inserted article 3 of the Directive which leaves Member States free to require television broadcasters, under their jurisdiction, to lay down more detailed or stricter rules in the area covered by the Directive.

### B The two sides of the principle of non discrimination between the broadcasters.

1. The paradox of Member States having more detailed or stricter rules is that a discrimination between domestic and non-domestic broadcasters could be to the detriment of the former. Equity must be maintained between the broadcasters.

In order to maintain this equity, only an institutional approach can be recommended: a legal instrument to determine the law which applies - i.e. an agreement as it is proposed for a new drafting of Article 2. Effectively, according to article 2, each member state shall ensure that all television broadcasts transmitted by broadcasters under its jurisdiction comply with the rules of the system of law applicable to broadcasts intended for the public in that member state. Moreover, they have to ensure freedom of reception and shall not restrict re-transmission on their territory except in the following cases:

- infringement of articles 22 (protection of minors);
- in the case that during the previous 12 months, the broadcaster has infringed the same provision on at least two prior occasions;

<sup>8</sup> According to the amended article 18a: <windows devoted to teleshopping broadcast by a channel not exclusively devoted to teleshopping shall be of a minimum uninterrupted duration of 15 minutes. Their overall duration shall not exceed three hours per day. They must be clearly identified as teleshopping windows by optical and/or acoustic means>.



## *The European platform of Regulatory Authorities (EPRA)*

Through the EPRA and some of our researches, we try to promote this legal certainty that most of the professionals would like to find in order to benefit from the new economic developments with a strategy based on a European legal framework and fair competition. In the working group "Regulation and Media policies" of our European Television and Film Forum, we have had interesting discussions between regulators and regulated broadcasters and just how far regulation can go. I have been arguing here not over-regulation but for clear rules that may give more certainty also for fair competition on the European market.

Television is undergoing a tremendous change but it still has to respect the needs of serving the public interest.



*The Broadcasting Authority  
Programme Awards  
1996*

*Programme Entries*

*Drama*

Television

Skolattiv (Education 22/TVM)

Radio

Medea (Radju ta' l-Università)

Is-Soru li M'Emnitx (Radju ta' l-Università)

*Current Affairs*

Xhieda (TVM)

X'gara llum (Smash TV)

Ghawdex llum (TVM)

Meridjan (Xjenza u Teknoloġija) (TVM)

{Drogi Fejn Qeghdin?}

Bil-Baċir jew Minghajru (TVM)

Eurolink (TVM)

Press Cuttings (Radju Malta 2)

Din Hi l-Ewropa (Radju ta' l-Università)

News Makers (Radju ta' l-Università)

*Cultural/Educational Programmes*

Meander (TVM)

Politeama (Education 22/TVM)

Hu Hsieb (TVM)

L-Ewwel Grotta (TVM)

Ulisse (Education 22/TVM)

Il-Muża Gharwiena (Radju ta' l-Università)

Frere Jacques (Radju Malta 1)

Il-Misteru ta' Kristu (Radju Malta 1)

Fuq iz-Zuntier (RTK)

Kulturama (RTK)

Sangisug: Il-Medicina Tradizzjonali f'Malta  
(Radju Malta 1)

Kuluri (Radju Malta 1)

X'Hemm Ġdid - Institute for Energy and  
Technology (Deejays Radio)

X'Hemm Ġdid - Alcohol Abuse (Deejays Radio)

Din is-Silta Ghalik (Radio 101)

Id-Droga... Ghaliex? (Radju ta' l-Università)

Skroll (Radju ta' l-Università)

Learning Maltese (Radju ta' l-Università)

Biex Nidhku? (Radju ta' l-Università)

Ilsna tan-Nar (Radju ta' l-Università)

Kotba Ġodda (Radju ta' l-Università)

Kapriċċi Taljani (Radju 101)



## *Documentaries*

The Complete Maritime Package (TVM)  
Ix-Xoghol Wahdu Jurik (TVM)  
Żwigijiet mal-Musulmani:  
Preġudizzju Ggama jew Ġustifikat?(TVM)

Bejn Nar u Ilma (Radju Malta)  
Ewropa Mużikali (Radju Malta 1)  
Ewropa, Ewropa (RTK)  
31 ta' Marzu 1979 (Radju Malta)  
Is-Sette Giugno (Radju Malta)  
Il-Misrah (Radju Malta)  
Emmnu u Xandru (Radju Malta)  
24 ta' Ġunju - Nhar San Gwann (Radju Malta 1)  
Jum il-Missier (Radju Malta 1)  
Ġrajjet Mediterranji (Radju ta' l-Università)  
Poeti Maltin (Radju ta' l-Università)  
Mal-Qilla tal-Halel (Radju ta' l-Università)  
Il-Presepu u l-Italja (Radio 101)  
Minn Liverpool sa Abbey Road (Radio 101)  
Il-Process ta' Ġesu mill-Lat Legali (RTK)  
Dode (Radju Malta 1)

## *Discussion Programmes*

Bir-Rispett Kollu (TVM)  
Ras Imb'Ras (TVM)  
Il-Mazz f'Idejġ (TVM)

Minn Qalb il-Ġemgha (RTK)  
Kelma bejn Tnejn (Deejays Radio)  
Intervista - John Bason (Deejays Radio)  
Kif Tahsibha (Dr Alfred Sant Dr Louis Galea) (Bay Radio)  
Mill-Mera tal-Hajja (RTK)  
Kontroversja (Radju ta' l-Università)  
Nisa, Kultura u Soċjetà (Radju ta' l-Università)  
Radiopoli (Radio 101)  
Issues (Radju Malta 2)

## *Children's Programmes*

Kieku Kien (Programm imtella fl-okkażjoni tal-Jum Dinji tax-Xandir dedikat lit-Tfal imniedi mill-UNICEF) (TVM)  
Hu Ċans (Education 22/TVM)  
Galileo (Education 22/TVM)

Stejjer Holm u Żed 315 (Radju Malta 1)  
Do, Re, Mi, Fa ma' Annalise (Live FM)  
Radjugazzetta (Radju Malta 1)  
Drama ghat-Tfal (Radju Malta 1)  
X.T.B(Xandir Tfal Biss) (Radio 101)



## *Magazine Programmes*

Lenti Żagħżugħa (TVM)

Smash-T (Smash TV)

Smash Breakfast (Smash TV)

Għawdex Illum (TVM)

Flicks (Radju Malta)

L-Oscars (Radju Malta 2)

Pożittiv (Radju ta' l-Università)

L-Golgota u d-Divers (Radju ta' l-Università)

X'Hemm Ġdid (Deejay Radio)

Opinjoni Ohra (Deejays Radio)

Bejn il-Hbieb (Radju Malta 2)

Mal-Hsejjes u x-Xbihat (Radju ta' l-Università)

Magazin (Radio 101)

## *Light Entertainment*

Malta Music Awards 1995(TVM)

Karaoke (Smash TV)

Kunċert tal-Milied (Education 22/TVM)

Retro 80's (Bay Radio)

Rock Moods (End of year programme) (Bay Radio)

Rock Moods P. Lynott 10th anniversary (Bay Radio)

Le, Le Qegħdin Sew (RTK)

Deejays Jazz & Nite Lites (Deejays Radio)

Person to Person (Deejays Radio)

Jazz Klabb (Radju Malta 2)

U X'Kull Wahda Wkoll (Radju ta' l-Università)

Merhba (Radju ta' l-Università)

Kumpanija (Radio 101)

L-Operetta u l-Waltz (Radio 101)

## *Sport*

Malta fis-6 Edizzjoni tal-Logħob tal-

Pajjiżi ż-Żgħar fl-Ewropa (TVM)

Ehfef, Oghla, Isbah (Radju ta' l-Università)

Il-Polemika (Radio 101)

Euro Kick Off '96 (Radio 101)



*The Political Content of the  
News on the  
Public Broadcasting Services*



## *The Political Content of the News of the Public Broadcasting Services General Picture 1996*

Month	Government Activities	Party Political			Unions			Total	% of all Local Items
		NP	MLP	AD	CMTU	GWU	GRTU		
January	131	11	57	19	25	20	3	266	59.9
February	159	19	50	15	18	30	6	297	65.6
March	197	28	75	19	17	22	11	369	71.4
April	198	18	68	15	18	54	5	376	75.8
May	212	12	68	15	22	47	5	381	77.6
June	204	14	58	18	12	14	7	327	76.2
July	154	14	55	19	16	12	17	287	59.3
August	130	9	48	12	21	31	13	264	57.6
September	207	41	78	26	19	17	3	391	81.1
October	209	80	123	54	8	6	4	484	91.3
November	233	25	28	8	15	23	10	342	68.5
December	166	30	12	4	13	18	5	248	54.4
	2200	301	720	224	204	294	89	4032	70.3

### *Ministerial Activities 1996*

Month	Number of Local News Items	Reports of Ministerial Activities 1996	%
January	444	131	29.5
February	453	159	35.1
March	517	197	38.1
April	496	198	39.9
May	491	212	43.2
June	429	204	47.6
July	484	154	31.8
August	458	130	28.4
September	482	207	42.9
October	530	209	39.4
November	499	233	46.7
December	456	166	36.4
	5739	2200	38.3



## *Party Political Activities 1996*

Month	Number of Local News Items	Party Political			Total	%
		NP	MLP	AD		
January	444	11	57	19	87	19.6
February	453	19	50	15	84	18.5
March	517	28	75	19	122	23.6
April	496	18	68	15	101	20.4
May	491	12	68	15	95	19.3
June	429	14	58	18	90	21.0
July	484	14	55	19	88	18.2
August	458	9	48	12	69	15.1
September	482	41	78	26	145	30.1
October	530	80	123	54	257	48.5
November	499	25	28	8	61	12.2
December	456	30	12	4	46	10.1
	5739	301	720	224	1245	21.7

## *Trade Union Activities 1996*

Month	Number of Local News Items	Party Political			Total	%
		CMTU	GWU	GRTU		
January	444	25	20	3	48	10.8
February	453	18	30	6	54	11.9
March	517	17	22	11	50	9.7
April	496	18	54	5	77	15.5
May	491	22	47	5	74	15.1
June	429	12	14	7	33	7.7
July	484	16	12	17	45	9.3
August	458	21	31	13	65	14.2
September	482	19	17	3	39	8.1
October	530	8	6	4	18	3.4
November	499	15	23	10	48	9.6
December	456	13	18	5	36	7.9
	5739	204	294	89	587	10.2



## Programme Complaints relating to the General Election Campaign 1996

### 1. Source: Malta Labour Party Station involved: PBS Ltd Programme: *Mis-Sebg'a 'l Hemm*.

The Labour Party complained to the Authority about a new series of programmes being prepared by PBS called *Mis-Sebg'a 'l Hemm* which was to deal with current affairs and which the Party contended would serve the interests of the party in government if broadcast during an electoral campaign.

After considering what PBS Ltd. had to say about the matter and after considering that the programmes had not even started being broadcast, the Authority decided that at that stage there was no proof of any irregularity committed and that the Authority was to continue to discharge its obligations with regard to balance and impartiality in broadcasting by taking into account the new programme as well.

### 2. Source: Nationalist Party Station involved: Super 1 TV Programme: *News*

The Nationalist Party protested with the Authority that whilst Super 1 TV gave a full report of a press conference addressed by the Leader of the Opposition, different treatment was meted out to a press conference addressed by the Prime Minister.

The Authority decided that such different treatment in reporting by Super 1 TV went against the principles of balance and impartiality governing the reporting of such events especially at election times.

The Authority warned Super 1 TV that it was not prepared to tolerate such a situation and if there was any repetition would take the necessary steps including measures to provide a remedy or other sanctions.

### 3. Source: Nationalist Party Station involved: Super 1 TV Programme: *News*.

The Nationalist Party complained that the Super 1 TV news report covering the press conference addressed by the Prime Minister at the Party's Headquarters on 24th September 1996, covered only the answers to questions put by the Super 1 TV journalist, leaving out the questions asked by the other journalists present.

The Nationalist Party also complained that although the 10.00p.m. news bulletin carried an interview with the Secretary General of the Malta Labour Party, Mr Jimmy Magro, similar treatment was not given to the Secretary General of the Nationalist Party.



With regard to the first complaint, the Authority felt it should not interfere with the editorial discretion of the Head of News of Super1 TV.

In the second case, the Authority decided to ask Super 1 Tv news to carry an interview with the Secretary General of the Nationalist Party by Monday 30th September as well as another interview with a representative of Alternattiva Demokratika. It was decided that these interviews should be carried in the 10.00p.m. news, the interview with the Secretary General of the Nationalist Party was to be of the same duration as the interview broadcast on 24th September whilst that with Alternattiva Demokratika was to last around one minute.

**4. Source: Alternattiva Demokratika Station involved: Super 1 TV Programme: News.**

In letter of protest dated 25th September, Alternattiva Demokratika claimed Super 1 TV was systematically failing to cover Alternattiva's activities in its news bulletins and asked the Authority to provide a remedy.

The Authority informed the Malta Labour Party that Super 1 TV is obliged to cover Alternattiva Demokratika's activities whenever these are of news value and that this obligation applies especially during an electoral campaign.

**5. Source: Malta Labour Party Station involved: PBS Ltd Programme: News.**

The Malta Labour Party complained that PBS coverage of its activities was not reflecting the true atmosphere prevailing at such events organised by the Party during its electoral campaign.

In its letter dated 25 September the Malta Labour Party protested at the different treatment being meted out to the Nationalist Party, and complained of systematic censorship of coverage of activities of Dr George Abela and Dr George Vella, citing as examples a Malta Labour Party activity for women, which PBS did not carry and a similar activity for Nationalist Party members addressed by the Secretary General of the Party, which was given adequate coverage by PBS Ltd.

After examining PBS news bulletins, the Authority decided to convey PBS's comments refuting the allegations made, to the Malta Labour Party, and at the same time inform the Party that the specific cases referred to were technical mistakes made during presentation, with regard to which action had already been taken.

The Authority also informed the Malta Labour Party that it was taking all precautions to ensure that PBS observe impartiality in its news and was guarding against trends that slant PBS news in favour of a particular party.

**6. Source: Nationalist Party Station involved: Super 1 TV Programme: Xark.**

The Nationalist Party complained that an interview with the Secretary General of the Malta Labour



Party, Mr Jimmy Magro, broadcast in the programme "Xark" on Super 1 TV, on 27 September lacked balance and impartiality, contravening the Broadcasting Act and the Constitution and asked the Authority for redress.

The Authority informed the Nationalist Party that this was the same interview that was included in the news bulletin of 24 September and that the Authority had already taken the necessary action and had already conveyed this to the Party in its letter of 27 September.

**7. Source: Nationalist Party Station involved: Super 1 TV Programme: News.**

The Nationalist Party complained of lack of balance in the coverage given by Super One TV to the press conferences and walkabouts made by the Leader of the Nationalist Party.

In its letter dated 27 September the Nationalist Party complained that during the press conference, questions made by journalists who did not work with Super One TV were being edited out and that on various occasions the reply given by the Leader of the Nationalist Party was also severely edited. The Nationalist Party also complained of lack of balance in that the walkabouts made by the Leader of the Socialist Party were carried with "sound on film" whilst those of Dr. Fenech Adami were not being reported in the same manner.

After examining examples of the reports mentioned in the letter of complaint, the Authority decided that whilst the report of the press conference was satisfactory, the report regarding the walkabout lacked "sound on tape" and was not treated in the same manner as that of similar activities by the Leader of the Malta Labour Party. The Authority drew Super One TV's attention to this matter.

**8. Source: Nationalist Party Station involved: Super 1 TV Programme: News**

The Nationalist Party complained about coverage given by Super 1 TV to the Nationalist Party mass meeting held on the Granaries on the 29 September.

In its letter dated 30 September the Nationalist Party strongly protested that the coverage given that same morning by Super 1 TV of the mass meeting held by the party on the Granaries the previous day was totally unbalanced and that Super One TV had not reported this meeting in the same manner as it had reported the Mass Meeting held by the Malta Labour Party. The Nationalist Party asked the Authority to provide a remedy.

The Authority decided to send a copy of the Nationalist Party's complaint to Super One TV for their comment.

**9. Source: Mr Richard Matrenza Station involved: Radio 101: Programme: Various.**

The Authority considered a letter sent by fax by Mr Matrenza, complaining that Radio 101 unjustly referred to the Labour Party as the Socialist Party.



The Authority decided to write to Mr Matrenza informing him that the Authority did not consider the word "socialist" as being derogatory and that Authority had not received any complaints from the Labour Party in this regard.

**10. Source: Nationalist Party Station involved: Super 1 TV Programme: News.**

In a letter dated 2 October the Nationalist Party complained that commentaries broadcast by Super One Television in news bulletins, were contravening the law and requested the Authority to put a stop to this and to give redress.

After examining the playback of Super One TV's news bulletin of 1 October, the Authority decided to inform the Nationalist Party that it considered the first 30 seconds of this report to be of a political nature which during an electoral campaign required balance. The Authority also decided to invite the Nationalist Party to send a statement of equivalent length to the Authority to be broadcast in Super One TV's news bulletin in reply to this item.

**11. Source: Nationalist Party Station involved: Super 1TV Programme: News**

The Nationalist Party complained about the coverage given by Super 1 TV to a press conference addressed by the Leader of the Nationalist Party during a women's activity organised by the Party.

In its letter dated 2 October the Nationalist Party complained that instead of covering the press conference, coverage was only given to the question made by Super One TV's journalist and the Prime Minister's reply.

The letter added that this type of coverage has become a daily occurrence and asked the Authority to put a stop to it.

After considering this complaint at length, the Authority decided to write to Super One TV informing the Station that it was established journalistic practice that the public be given an accurate account of the main events, even when news was reported in brief.

The Authority also informed Super One TV that short quotes from speeches should not be carried in the news in brief, if these end up being quoted out of context.

The Authority decided to inform the Nationalist Party that established journalistic practice required reports in news bulletins to give a clear and concise picture of such events, to keep the public informed of what had been said in such speeches adding that it was taking steps to ensure that Super One TV observed this practice.

**12. Source: Nationalist Party Station involved: Super 1 TV Programme: Various**

The Nationalist Party complained about (a) an interview conducted by a Super One Television journalist



with the Prime Minister each day (b) coverage of political activities being held by the two main political parties; (c) Super One Television's coverage of activities held by the Nationalist Party and (d) promotion for the book "OMERTÀ".

In its letter dated 2 October the Nationalist Party stated that: (a) the interview was not being broadcast in its entirety and was being edited in a manner which politically suited the Super One TV news room; (b) there was no balance as required by law and this applied particularly to coverage of mass meetings, meetings "Taht it-Tinda" and walkabouts being made by the Prime Minister; (c) when compared to PBS, Super One TV was not broadcasting activities held by the Nationalist Party in a balanced manner as required by law; (d) the advert for the book "Omertà" included political references and excerpts which amounted to political advertising which went against the law.

After viewing a video of activities held by the Nationalist Party during its electoral campaign, as reported in Super One TV's news bulletin, the Authority decided to inform the Nationalist Party that it had already written to Super One TV about the coverage of the political conference given by the Prime Minister and the Authority was insisting that Super One TV give a clear and accurate report of the activity concerned. With regard to the promotion being given on Super One TV to the book "Omertà", the Authority decided to inform the Nationalist Party that the necessary steps had been taken to stop the broadcasting of this announcement.

### **13. Source: Malta Labour Party Station involved PBS Ltd Programme: News**

The Labour Party protested at the manner PBS was still covering political activities held by the Malta Labour Party during the electoral campaign.

The letter dated 2 October referred specifically to visuals shown where, the letter states, in the Nationalist Party's case the intention was to show a certain atmosphere, whilst visuals shown during Malta Labour Party activities showed the opposite. The letter further complained that in 53 seconds out of a 60 second film about a PN activity the pensioners showed enthusiasm, whilst in an item of similar duration covering an activity held by the Labour Party, this enthusiasm amounted to only 6 seconds.

The letter emphasized that visuals should give a true depiction of such activities and requested a remedy.

The Authority decided to inform the Malta Labour Party that as it had already stated in its letter dated 27 September, the Authority was taking all precautions to ensure that, as far as possible, fair and equal treatment was given in news bulletins. The Authority also decided to inform the Malta Labour Party that the matter had been investigated and that in the Authority's opinion, although the visual coverage could have been better, the essence of the message had been adequately conveyed.



**14. Source: Malta Labour Party Station involved: PBS Ltd Programme: News**

The Malta Labour Party protested that during the electoral campaign, PBS was consistently giving preference to activities by the Nationalist Party.

In their letter dated 3 October, the Malta Labour Party complained that this was being done independently of "news value" to the disadvantage of the Malta Labour Party and asked the Authority to take steps to remedy the situation as soon as possible.

The Authority decided to inform the Labour Party that the only criteria for the inclusion of items in news bulletins was "news value" and that this depended on the editor's discretion based on integrity and experience.

With regard to the priority being given to news reports on the electoral campaign, the Authority also decided to inform the Malta Labour Party that the necessary steps had been taken to ensure items in news bulletins would be presented in a manner which was professionally acceptable.

**15. Source: Alternattiva Demokratika Station involved: PBS Ltd Programme: Election Broadcasts**

Alternattiva Demokratika wrote regarding schedule changes in Election Broadcasts and in their letter dated 3 October, Alternattiva Demokratika complained that such changes at this stage added to their difficulties and wished to stress that if the broadcasts were to take place, Alternattiva's production of 24 October was to be broadcast together with those of the Malta Labour Party and Nationalist Party after the news bulletin at 8.30 p.m. and not before.

After considering the case, the Authority wrote to inform Alternattiva Demokratika that no changes were to be made to the schedule on the 24 October regarding the transmission of party productions.

**16. Source: Alternattiva Demokratika Station involved: Super 1 TV Programme: News**

Alternattiva Demokratika complained about the news coverage being given by Super 1 TV to Alternattiva Demokratika activities during the Electoral Campaign.

Alternattiva Demokratika referred to an activity organised on Sunday 6 October 1996 and carried by Super 1 TV without any visuals and based on a shortened version of the press release issued by Alternattiva Demokratika.

The Authority decided to send a copy of Alternattiva Demokratika's letter to the Head of Super 1 TV's news agency, and to inform him that news bulletins on all broadcasting stations were expected to cover the political activities of all parties in a fair way. The Authority urged that similar activities, to the one mentioned in the letter sent by Alternattiva Demokratika, should be reported in an appropriate manner on Super 1 TV.



**17. Source: Malta Labour Party Station involved: PBS Ltd Programme: News**

The Malta Labour Party requested a copy of all directives issued to PBS Ltd relating to the reporting of political activities in news bulletins.

*The letter dated 6 October stated that during the electoral campaign, PBS should not give priority to Nationalist Party activities when these activities are not directly linked to those of the Prime Minister.*

The Authority informed the Malta Labour Party that it had no objection to informing political parties about the directives it issues to PBS from time to time about the reporting of political activities in news bulletins. With regard to their order of priority, the Authority informed the Malta Labour Party that this is regulated by journalistic practice based on the concept of news value.

**18. Source: Nationalist Party Station involved: Super 1 TV Programme: News**

The Nationalist Party objected to Super 1 TV's coverage of the Nationalist Party mass meeting at Birkirkara and coverage of visits to Nationalist Party clubs, in its morning news bulletin on 6 October.

*The letter complained that Super 1 TV was systematically not carrying Nationalist Party activities in a balanced and impartial way and requested the Authority to ensure that Super 1 TV operated within legal parameters.*

After viewing the playback of the items in question, the Authority decided that the report of the speech at the Nationalist Party mass meeting and the visual material referred to on the other occasions were adequate.

**19. Source: Nationalist Party Station involved: Super 1 TV Programme: News**

The Nationalist Party protested about the inclusion, in the 8 October news on Super 1 TV, of extracts of the speech by the Deputy Leader of the Malta Labour Party at the Mass Meeting at Mosta, whilst failing to carry extracts from the speech by the Nationalist Party Deputy Leader in the Mass Meeting at Birkirkara.

The letter complained of lack of balance in the report and requested the Authority to take the necessary measures to provide a remedy.

*The Authority decided that a copy of the letter of complaint from the Nationalist Party was to be sent to the Head of Super 1 TV News Agency for his comment, which was to reach the Authority by 10 October.*

**20. Source: Malta Labour Party Station involved: PBS Ltd Programme: News**

The Malta Labour Party protested over a number of statements issued by the MLP, which PBS did not



include in its news bulletins.

The letter dated 9 October complained that these statements dealt with important issues of the electoral campaign, such as education, housing, health, drugs, broadcasting and consumers' rights and that any argument disputing their news value was groundless, especially when Nationalist ministers were still receiving extensive coverage by PBS in violation of the Constitution. The letter also complained that whilst every statement made by the Nationalist Leader was being presented as a fact, statements made by the Labour Leader were presented as allegations.

The Malta Labour Party asked for concrete action to be taken regarding the two complaints.

The Authority considered the content of the statements mentioned in the letter of complaint by the Malta Labour Party, and decided to inform the Party that it had investigated the statements and had seen both the letters of the Malta Labour Party and of PBS of 11 and 14 October. The Authority was to inform the Malta Labour Party that it had always insisted that news was to be presented with due impartiality and that by this the Authority meant that news programmes were not to have any marked leanings on any particular subject, but that the public was to be given the complete information, so as to be able to form its own opinion on controversial matters.

It was also decided that the Authority draw the attention of all stations emphasising the observance of this directive found in the Authority's guidelines on news.

#### **21. Source: Nationalist Party Station involved: PBS Ltd Programme: Election Broadcasts.**

The Nationalist Party protested about the legal vetting requirements for a political spot produced by the Party.

Their letter dated 10 October says that the Authority's directive that for every caption used, there should be words that read: "The case of ..." is incorrect because l-Imnarja and the killing of Raymond Caruana were facts and not allegations. The letter also objected to the Authority's directive not to use the words "Ma tistax tafdah" because it felt that this was fair comment and that the Authority was limiting the right of free expression of the Nationalist Party.

The Authority wrote to the Nationalist Party to say that the content of their letter had been noted.

#### **22. Source: Nationalist Party Station involved: Super 1 TV Programme: Advertising**

The Nationalist Party complained about an advertisement for the book "Viżjoni għal Malta Moderna" by Dr Alfred Sant.

In their complaint dated 10 October, the Nationalist Party said that this was a political advert and its broadcasting went against the law especially during an electoral campaign. The letter also stated that the title of the book was also the subject of a political debate, chosen by the Socialist Party on the same



day that the advert was broadcast.

The Authority decided to inform the Nationalist Party that after taking legal considerations into account, the Authority held that such a notice did not constitute an infringement of the law.

### **23. Source: Alternattiva Demokratika Station involved: PBS Ltd Programme: Election Broadcasts**

Alternattiva Demokratika wrote about changes in the schedule for General Election Broadcasts, and the decision of the Authority to broadcast the Party Production of Alternattiva Demokratika on 24 October at 7.45 p.m., saying that the Authority had not given any reasons why it had decided that the productions by the MLP and PN were scheduled to be broadcast after the 8.00p.m. bulletin. The letter continued by saying that according to the original schedule the interview programmes were going to be broadcast on 23 October between 8.30p.m. and 9.30p.m. and called on the Authority to reconsider the decision so that the Alternattiva Demokratika production will be broadcast after the 8.00p.m. news bulletin.

The Authority informed Alternattiva Demokratika that that time reserved for its broadcast was considered to be prime time and the audience research had shown that the audience at this time was a substantial one. The Authority informed Alternattiva that it was established practice for a broadcast by a party in government, to be broadcast after those of the other parties, and that above all the Authority felt that by equally distributing time between the three parties on the last day of election broadcasts, the Authority was being fair.

### **24. Source: Alternattiva Demokratika Station involved: RTK Programme: Various**

Alternattiva Demokratika complained that the Party was not asked to take part in programmes broadcast by RTK.

The first letter protested that on 11 October, a debate on education was broadcast in the morning, when representatives from Alternattiva Demokratika were not invited to take part and that an important part of a statement by Alternattiva Demokratika explaining the contents of a letter that Alternattiva Demokratika sent to the Archbishop complaining of interference by the Chairman of the Media Centre in the electoral campaign was left out.

Alternattiva Demokratika complained that this omission was serious because the part of the statement that was left out was in reply to what was being said on RTK.

The second letter protested that on 11 October a representative of Alternattiva Demokratika was not invited to take part in a debate between the Nationalist Party candidate John Bundy and Malta Labour Party candidate Massimo Ellul.

The Authority wrote to Alternattiva Demokratika to inform the Party that after investigating those programmes with political content, which were either broadcast or planned to be broadcast by RTK

during the electoral campaign, it resulted that in the field of discussion programmes, the Nationalist Party had taken part in 11 programmes, The Malta Labour Party in 11 programmes and Alternattiva Demokratika in 7 programmes.

RTK also allocated a commentary to each party each week and this arrangement included Alternattiva Demokratika.

The Authority informed Alternattiva Demokratika that RTK had also made contact with the leaders of the three parties to broadcast an interview with each one of them on the 24 October.

All these facts put together led the Authority to conclude that the complaints made were not justified.

**25. Source: Nationalist Party Station involved: Super 1 TV Programme: "Fil-Mira".**

The letter protested that the interview that took place on Super 1 TV with Dr George Vella in the programme Fil-Mira on 11 October, was in breach of the Constitution with regard to balance and impartiality. The letter of the Nationalist Party asked for a remedy.

After referring to the directives issued by the Broadcasting Authority for the duration of the electoral campaign, the Authority informed Super 1 TV that as details regarding the personality that was going to be interviewed in the next programme of "Il-Mira" were not given and since a reply to the letter sent by the Authority to the Head of the News Agency of Super 1 TV on 14 October, was not forthcoming, it was decided that the next interview should be conducted with a candidate from the Nationalist Party, to be interviewed in the same manner, so as to observe balance and impartiality.

**26. Source: Nationalist Party Station involved: PBS Ltd Programme: News**

The Nationalist Party complained that PBS reported the speech of the Deputy Leader of the Malta Labour Party Dr George Abela during a mass meeting in Qormi on 13 October but did not do the same in the case of Prof. Guido de Marco at similar meeting.

The Authority noted that it had already written to PBS asking that speeches by deputy leaders of political parties be carried in news bulletins whenever they had any news value.

**27. Source: Nationalist Party Station involved: Super1 TV Programme: News**

The Nationalist Party complained at the way in which Super1 TV carried the speech of the leader of the Nationalist Party at a mass meeting of the Party in Fgura on 13 October.

The letter of complaint stated that Super 1 TV gave poor coverage so that the true message of the Leader of the Nationalist Party would not reach viewers. It called on the Authority to take steps so that the Nationalist Party will not continue to be at a disadvantage especially during the electoral campaign.



After viewing the news item, complained of as well as comparing to other reports of mass meetings, the Authority concluded that the coverage in question was not a fair one and decided to inform the station that whilst accepting that the broadcasting service provided by a political party could be slanted, it also believed that this could only take place within the general context of balanced and impartial programming.

The Authority informed the station that it expected the news service to give a full and careful coverage of all those events that the station wanted to bring across to viewers and insisted that this improvement take place immediately, to avoid the need for the Authority to reprimand those who acted contrary to journalistic principles or to avoid the need for the Authority to take steps, to ensure fair coverage.

#### **28. Source: Malta Labour Party Station involved: PBS Ltd Programme: News**

The Malta Labour Party protested about the way that a Labour Party mass rally in Gozo was presented and about the way a news conference addressed by the Nationalist Party leader was shown on PBS with shots of a screen portraying blatant partisan messages.

The letter of the Labour Party dated 15 October complained that the video of the mass rally did not reflect the real atmosphere of the activity whilst the coverage of the news conference was visually dominated by shots of the screen.

After viewing PBS coverage of the rally in Gozo as well as of the news conference, the Authority concluded that the first complaint regarding the rally was not justified.

With regards to the second complaint, the Authority informed PBS that although it did not see anything wrong with showing the screen together with the speakers who were present, it did not agree that the whole attention of the viewer be focussed on what was being shown on the screen at the back of the speakers.

#### **29. Source: Nationalist Party Station involved: Super 1 TV Programme: News**

The Nationalist Party deplored the way the news broadcast at 7.30p.m. on Super One TV, on 19 October, reported the walk-about of the Prime Minister and leader of the Nationalist Party in Kercem and Fontana Gozo.

The Nationalist Party complained that visual material of these walk-about was shown without any verbal report of these political activities.

After investigating the complaint, the Authority informed the Nationalist Party that the whole report about the walk abouts made by the Prime Minister in Kercem and Fontana, Gozo, were broadcast on Super 1 TV in the 10 p.m. bulletin on Saturday 19 October 1996

### **30. Source: Malta Labour Party Station involved: PBS Ltd Programme: News**

The Malta Labour Party complained at the way PBS reported electoral campaign activities and censured statements made by the Malta Labour Party .

The letter complained that this lack of balance was clearly shown in the PBS news bulletin of Friday 18 October 1996, because the film showing the leaders of the Malta Labour Party meeting workers at the Industrial Estate at Xewkija did not reflect the reality of what actually took place, because PBS cameras again focussed on strong partisan messages on a background screen at a news conference of the Nationalist Party, because a member of the audience at Nationalist Party meeting under the marquee at Hal Tarxien was shown making a partisan attack against the Malta Labour Party, because PBS has for whole months censured speeches made by the Deputy leaders of the Malta Labour Party, Dr George Vella u Dr George Abela, and because in the PBS bulletin of 18 October, 4 statements by the Malta Labour Party were censored and that out of a total of 8 items broadcast, seven were about ministerial activities which dealt with government plans in a political way.

After considering the various complaints made, the Authority asked the Labour Party to substantiate the complaints made, so that having all the facts, the Authority would be in a better position to reach a decision.

The Authority added that this was because up to that day it did not have any information on the four statements referred to in their letter of 19 October.

The Authority decided to inform the Malta Labour Party that from the evidence available there was no justification for the complaints raised, but that on the other hand where controversial matters were reported, these were to be given impartial treatment with all sides of the story being covered according to the Authority's guidelines on news.

### **31. Source: Nationalist Party Station involved: Super 1 TV Programme: News**

The Nationalist Party protested at the way Super 1 TV broadcast reports of its mass meeting held on Sunday 20 October.

The letter from the Nationalist Party dated 21 October states that the Malta Labour Party mass meeting coverage was of 12 minutes and the report on the Party Deputy Leaders was full of station comment. Coverage of the Nationalist Party mass meeting was of two minutes, and full of station comment but there was no report on the speech of the Nationalist Party Deputy Leader.

The letter complained that Super 1 TV's coverage was full of station comment and asked the Authority to provide a concrete remedy.

The Authority wrote to Super 1 TV to show its concern at the increasing tendency for news items to be less accurate, as station comment and other bad practices were on the increase.



The Authority also informed Super 1 TV that it had failed to observe the required separation between fact and comment, warning the station to stop this bad practice whilst urging it to observe the Authority's guidelines on news and strengthen the practice of professional journalism in broadcasting. The Authority informed the station that it was circulating similar notices to all newspaper and broadcasting media.

**32. Source: Malta Labour Party Station involved: PBS Ltd Programme: News**

The Malta Labour Party complained that at least 18 of its press releases were censored in a five day period, whilst 19 ministerial activities were broadcast on PBS news, constituting a gross imbalance against the Malta Labour Party.

The letter dated 23 October also says that PBS failed to report what was said by shadow minister Mr Charles Buhagiar in reply to the speech by Dr Fenech Adami on hunting and trapping. The letter of complaint finally protests that video films shown of Press Conference addressed by the leader of the Nationalist Party were partisan.

**33. Source: The Nationalist Party Station involved: Super 1 TV Programme: News**

The Nationalist Party protested at the way the 7.30p.m. news on Super 1 TV carried the visits made by the Leader of the Opposition on election day, but failed to report those visits made by the Leader of the Nationalist Party.

The Authority decided that since the electoral campaign was now over, it did not think any action was necessary in the circumstances.





# Report and Financial Statements



***Revenue and Expenditure Estimates  
For the year ending 31 December 1997  
In terms of Section 27 of the  
Broadcasting Act, 1991  
and  
Report and Financial Statements  
For the year ended 31 December 1996***

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## *Revenue and Expenditure Estimates*

for the year ending 31 December 1997

In terms of Section 27 of the Broadcasting Act 1991

Recurrent	Page	Actual	Revised	Estimates
		1995 Lm	Estimates 1996 Lm	1997 Lm
INCOME	73	<u>542,659</u>	<u>494,899</u>	<u>486,100</u>
EXPENSES	73	<u>285,299</u>	<u>448,749</u>	<u>600,698</u>
DEPRECIATION		<u>39,669</u>	<u>77,673</u>	<u>93,208</u>
		<u>324,968</u>	<u>526,422</u>	<u>693,906</u>
SURPLUS /(DEFICIT) FOR THE YEAR		<u>217,691</u>	<u>(31,523)</u>	<u>(207,806)</u>
Contribution by Government through a Contingencies Fund Warrant - Capital Vote 1 - item 17 - Construction of new offices and studio				
		<u>197,000</u>	<u>200,000</u>	<u>200,000</u>



## *Projected Funds Flow Statement*

for the year ending 31 December 1997

	Actual 1995  Lm	Revised Estimates 1996 Lm	Estimates  1997 Lm
<b>SOURCE OF FUNDS</b>			
Net Surplus/ (Deficit) for year	217,691	(31,523)	(207,806)
Adjustment for items not involving the movement of funds:			
Depreciation of tangible fixed assets	39,669	77,673	93,208
<b>FUNDS GENERATED FROM OPERATIONS</b>	<u>257,360</u>	<u>46,150</u>	<u>(114,598)</u>
<b>OTHER SOURCES OF FUNDS</b>			
Contribution by Government by way of a Contingencies Fund Warrant - Capital Vote 1 - Item 17 - Construction of new offices and studio	197,000	200,000	200,000
<b>APPLICATION OF FUNDS</b>			
Capital expenditure (Page 80)	<u>509,461</u>	<u>284,799</u>	<u>200,000</u>
<b>NET APPLICATION OF FUNDS</b>	<u>(55,101)</u>	<u>(38,649)</u>	<u>(114,598)</u>



## Schedule of Estimates

for the year ending 31 December 1997

### 1 INCOME

		Actual	Revised Estimates	Estimates
	Notes	1995 Lm	1996 Lm	1997 Lm
Government contributions	1(a)	300,000	400,000	400,000
Radio Licence Fees*	1(b)	36,760	36,400	40,500
T.V. Licence Fees*	1(c)	9,600	9,600	9,600
Cable TV - Franchise Fees	1(d)	30,000	30,000	30,000
Ground Rents	1(e)	1,375	1,125	1,000
Bank interest	1(f)	5,606	4,800	5,000
Sundry income	1(g)	159,318	12,974	0
		<u>542,659</u>	<u>494,899</u>	<u>486,100</u>

\*Radio and TV licence 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 Telegraphy in terms of Section 18(5) of the Broadcasting Act 1991.

### 2 EXPENDITURE

		Actual	Revised Estimates	Estimates
	Page	1995 Lm	1996 Lm	1997 Lm
Operating Expenses:				
Administration department	74	162,420	204,236	211,139
Production department	75	53,990	142,044	254,761
Monitoring department	75	46,613	58,806	84,435
Technical department	75	22,276	43,663	50,363
		<u>285,299</u>	<u>448,749</u>	<u>600,698</u>



### 3 ADMINISTRATIVE DEPARTMENT EXPENSES

		Actual	Revised	Estimates
		1995	Estimates	1997
Notes	Lm	Lm	Lm	Lm
(i) ADMINISTRATION DEPARTMENT				
Duty visits abroad	2(a)	6,369	7,674	7,800
Rent	2(b)	2,456	6	6
Wages and salaries	2(c)	60,762	79,791	81,791
Member's honoraria	2(d)	20,088	20,098	20,054
Staff recruitment and training	2(f)	375	2,000	1,000
Seminars and Conferences	2(g)	13,484	7,500	8,500
Legal and Professional fees	2(n)	2,174	4,700	5,000
Audit Fees	2(n)	518	520	600
Repairs and Maintenance	2(h)	2,745	5,000	3,000
International organisations membership fees	2(n)	6,432	6,500	7,000
Subscriptions and publications	2(n)	1,395	2,000	2,500
Telecommunications	2(n)	4,124	6,000	6,000
Stationery	2(n)	3,751	3,500	3,700
Sundry expenses	2(i)	4,398	5,500	5,000
Insurances	2(j)	2,552	5,100	5,000
Transport	2(n)	3,015	1,770	2,000
Water and electricity	2(n)	1,752	5,000	5,000
B.A. Reports & publications	2(k)	5,417	6,000	6,200
Programme for the Year Award	2(m)	5,992	1,373	13,500
Academy for Broadcasters	2(n)	-	5,000	-
Bank Finance charges	2(n)	-	50	50
		147,799	187,082	183,701
(ii) RESEARCH AND COMMUNICATIONS				
Wages and Salaries	2(c)	-	-	9,238
Audience Research Study	2(e)	4,827	4,454	4,900
Public Relations	2(n)	3,873	4,750	5,500
Advertising	2(l)	5,921	7,950	7,800
		14,621	17,154	27,438
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>162,420</b>	<b>204,236</b>	<b>211,139</b>



#### 4 PRODUCTION DEPARTMENT EXPENSES

		Actual	Revised Estimates	Estimates
		1995	1996	1997
	Notes	Lm	Lm	Lm
Wages and salaries	3(a)	38,371	59,144	66,144
Staff training	3(b)	-	8,000	5,000
Programme production expenses	3(c)	11,819	53,500	169,117
Political broadcasts		1,286	2,000	3,000
Sundry production expenses		812	5,400	5,500
Transport	3(d)	1,702	4,000	6,000
Community Channel promotional campaign		-	10,000	-
		<u>53,990</u>	<u>142,044</u>	<u>254,761</u>

#### 5 MONITORING DEPARTMENT EXPENSES

		Actual	Revised Estimates	Estimates
		1995	1996	1997
	Notes	Lm	Lm	Lm
Wages and salaries	4(a)	46,147	53,070	78,435
Staff Training		-	2,000	2,000
Monitoring Expenses	4(b)	466	3,736	4,000
		<u>46,613</u>	<u>58,806</u>	<u>84,435</u>

#### 6 TECHNICAL DEPARTMENT EXPENSES

		Actual	Revised Estimates	Estimates
		1995	1996	1997
	Notes	Lm	Lm	Lm
Wages and salaries	5(a)	20,869	39,163	43,163
Maintenance to Production Equipment	5(b)	407	500	6,500
Sundry Technical Expenses		1,000	4,000	700
		<u>22,276</u>	<u>43,663</u>	<u>50,363</u>



## Notes to the estimates

For the year ending 31 December 1997

### 1 INCOME

- (a) In terms of Section 24 of the Broadcasting Act 1991, the Authority's revenue from Government sources, shall consist of 30%, or a percentage not being less than 15% and not more than 50% of the revenue accruing to the Government from wireless and television licence fees.

In view of additional commitments taken up by the Authority, in particular the operation of the Community Channel, the Authority requested the Government for an additional contribution of Lm 150,000 over the current approved contribution of Lm 400,000. These funds are essential to maintain the successful operation of Channel 12 and to cover other expenditure of recurrent nature incurred by the Authority. This additional funding has not been approved in the 1997 published estimates and hence these estimates disclose the actual approved contribution.

- (b) At present, nine enterprises have been granted a licence to operate nation-wide radio services. For 1997, it is being projected that an additional sound broadcasting licence will be granted. The annual licence fee is of Lm5,000 less 20% which the Authority is obliged in terms of Section 18(5) of the Broadcasting Act 1991 to pass on to the Ministry responsible for wireless and telegraphy in connection with the technical servicing of the licences. Income from this sector, which include sundry community 'one-off events' broadcast fees, are shown in these estimates net of technical assistance fees.
- (c) The Authority granted two TV licences for an annual fees of Lm 6,000 each. As in the case of nationwide radio services 20% of the licence fee is payable by the Authority to the Ministry responsible for wireless and telegraphy in connection with the technical servicing for the licences. Income from this sector is being projected in the estimates on a net basis.
- (d) Melita Cable Television Ltd. pays the Authority Lm30,000 annually in respect of its obligations to provide the Authority with funds to operate a Community Channel.
- (e) The Authority reserves the right to charge rental fees to Master Antenna Limited, Public Broadcasting Services Limited, Telemalta Corporation, Telecell Limited and Melita Cable Television Limited for ground rent and facilities in respect of the Gharghur transmitting site. However, income from this sector for 1997 has been restricted to rental fees currently receivable from Central Bank and Roads Department as negotiations with the various users above are still pending
- (f) Any temporary surplus funds are deposited in savings/fixed deposit bank accounts. It is expected that approximately Lm 5,000 will be generated by way of interest.
- (g) Sundry expenses as indicated for 1995 and 1996 represents equipment donated by Melita Cable



Television Limited in terms of an agreement between the said Company and the Government. This equipment mainly consists of an outside broadcasting unit and a portable microwave link. No similar income is expected to be generated from these sources during 1997.

## 2 ADMINISTRATIVE EXPENSES

- (a) During 1997 the Broadcasting Authority will be represented at international conferences of the European Broadcasting Union, and the European Institute for the Media. The provision includes other incidental broadcasting conferences or assemblies for which active participation by the Authority would be beneficial.
- (b) Ground rent is payable once yearly in January. This is in respect of a garage at Mile End Road, Hamrun, which houses the OB Unit and other workshop facilities.
- (c) Salaries costs have been provided after taking into consideration a projected increase in the administrative staff compliment in particular of a research and communications officer and a clerk within the research and communications division. A revised salary structure currently being examined by the Ministry of Finance has also been taken into consideration.
- (d) The Board is composed of a chairman and four members. During 1997 the chairman's remuneration will be Lm5,414 and that of the members Lm3,660 each.
- (e) The Authority carries out one major study annually to assess and monitor the local audience's preferences for television and radio programmes.
- (f) Provision for staff recruitment and training include advertising costs to attract candidates for the vacant posts in the technical and production sector. Staff training costs include expenses likely to be incurred in line with the implementation of computer network systems.
- (g) Seminars and conferences include the annual seminar organised by the Authority on media topics and incidental seminars and conferences particularly associated with the European Institute for the Media and the European Broadcasting Union.
- (h) Repairs and maintenance costs have been subdivided into two cost centres. Repairs to technical equipment associated with the Channel 12 productions have been provided for under technical department expenses, whilst a provision for repairs to office equipment and premises maintenance has been retained as administrative department expenses.
- (i) Sundry expenses include Bupa membership scheme for all staff and other incidental charges.
- (j) Insurance costs have been provided after taking into consideration increased insurance cover charges on the new office building and all risks policies covering high-tech electronic production and broadcasting equipment.



- (k) These include printing charges for the Authority's annual report and seminar publications.
- (l) The major expense on advertising is in respect of the publication on all local media papers of a full list of complaints received and examined by the Authority. This list is being published on a quarterly basis.
- (m) In 1995 the Authority launched a 'Programme of the Year Award', an annual activity aimed to boost programme standards. Due to the very encouraging response from both the public and private broadcasting sectors, the Authority widened the programme categories qualifying for an award from six to nine to allow for a better distribution of entries in their appropriate classification. This has contributed towards higher costs mainly in cash prizes and trophies.
- (n) Other administrative expenses are estimated after taking into consideration past's year's performance and the planned level of activity of the Authority in 1997.

### 3 PRODUCTION DEPARTMENT EXPENSES

- (a) Salaries are shown with the implementation of an increase in staff complement required in connection with the operation of the Community Channel on Cable TV.
- (b) During 1997, the Authority is proposing to provide extensive training both locally and overseas to its production personnel.
- (c) Production expenses are to be incurred in connection with the running of the Community Channel on Cable T.V. The production of locally produced programmes which will included access programming is expected to boost costs significantly during 1997 with additional expenditure projected to be incurred with the utilisation of the outside broadcasting unit. In addition, provision has been taken for the purchase of foreign film material of a cultural, educational and informative interest.
- (d) Provision for transport expenses has been arrived at after taking into consideration the use of an additional vehicle for the production crew and additional cost in connection with the use of the OB unit.

### 4 MONITORING DEPARTMENT EXPENSES

- (a) Salaries, which include allowances to staff for monitoring duties outside normal office hours, provide for and increase in programme editing staff and the employment of one technician to handle all the technical and maintenance work within the monitoring section. The Authority intends to cater for two units, namely radio monitoring and TV programme monitoring with their respective heads of section to facilitate better coverage and staff supervision.
- (b) Monitoring expenses include the purchase of cassette, videos and other special cassettes for the



logging machine in connection with the supervision of programmes, and also include the licence of TV sets and Melita Cable services.

## 5 TECHNICAL DEPARTMENT EXPENSES

- (a) Costs provided for wages and salaries include the provision of additional costs expected to be incurred with the recruitment of personnel within the technical department and in connection with the operation of the outside broadcasting unit.
- (b) The provision for repairs and maintenance as indicated in these estimates is restricted to maintenance to technical and studio equipment associated with the Community Channel productions and has been provided after consultation with the Authority's technical department.



## *Proposed Capital Expenditure*

for the year ending 31 December 1997

### STUDIO SET-UP

It is envisaged that the major part of the studio set-up including the equipping of the studio, transmission and technical areas will be carried out in 1997. Projected capital expenditure for 1997 is outlined below:

	Lm	Lm
Studio floor equipment	89,632	
Transmission area equipment	41,175	
	<hr/>	
		130,807

### STUDIO ACOUSTICS

Partial costs of studio acoustics contract	28,600
--	--------

### OTHER STUDIO REQUIREMENTS

Mechanical, electrical and air-conditioning works (in connection with studio area)	11,415	
Finishes work contract	678	
Consultancy fees on capital projects	15,000	
Furniture and fittings	5,000	
	<hr/>	
		32,093

### MONITORING EQUIPMENT

Stand-by computerised logging equipment for programme monitoring department	8,500
	<hr/>
	200,000
	<hr/>



# Broadcasting Authority Report and Financial Statements

for the year ended 31 December 1996

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## *Auditors' Report to the Members*

We have audited the financial statements on pages 84 to 92 which have been prepared under the accounting policies set on page 88.

### **RESPECTIVE RESPONSIBILITIES OF THE AUTHORITY AND AUDITORS**

The Broadcasting Act 1991 requires the Authority to prepare financial statements for each financial year which give a true and fair view of its state of affairs as at the end of the financial year, and of its surplus or deficit for that year. In preparing those financial statements, the Authority is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in business.

The Authority is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time its financial position and to enable it to ensure that the financial statements comply with the relevant legislation. The Authority is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

It is our responsibility to form an independent opinion based on our audit, of those statements and to report our opinion to you. We are also required to report:

- whether 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;
- whether, in our opinion, proper accounting records have been kept, and
- whether the financial statements are in agreement with accounting records.

### **BASIS OF OPINION**

We conducted our audit in accordance with International Standards on Auditing. Our audit includes examination, on a test basis, of evidence relevant to the amounts and disclosure in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we



considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## OPINION

We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion proper accounting records 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 1996 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

Ta' Xbiex  
Malta



## *Income and Expenditure Account*

For the year ended 31 December 1996

	Notes	1996 Lm	1995 Lm
INCOME	2	509,892	554,249
EXPENDITURE		(466,312)	(336,558)
SURPLUS OF INCOME OVER EXPENDITURE		43,580	217,691
Additional contribution for capital expenditure		200,000	197,000
		243,580	414,691
TRANSFER TO CAPITAL FUND	9	(243,580)	(414,691)
SURPLUS FOR THE YEAR		-	-
ACCUMULATED DEFICIT BROUGHT FORWARD		(159,358)	(159,358)
ACCUMULATED DEFICIT CARRIED FORWARD		Lm(159,358)	Lm(159,358)



# Balance Sheet

at 31 December 1996

	Notes	1996 Lm	1995 Lm
FIXED ASSETS			
Tangible Assets	3	948,290	906,844
Investment	4	1	1
		<hr/> 948,291	<hr/> 906,845
CURRENT ASSETS			
Debtors	5	40,207	90,056
Cash at bank and in hand	6	341,180	122,367
		<hr/> 381,387	<hr/> 212,423
CURRENT LIABILITIES			
Creditors falling due within one year	7	(102,272)	(135,442)
		<hr/> 279,115	<hr/> 76,981
NET CURRENT ASSETS			
		<hr/> 1,227,406	<hr/> 983,826
TOTAL ASSETS LESS CURRENT LIABILITIES			
PROVISION FOR LIABILITIES AND CHARGES	8	(339,723)	(339,723)
		<hr/> Lm887,683	<hr/> Lm644,103
NET ASSETS			
CAPITAL AND RESERVES			
Capital fund	9	904,956	661,376
Reserves	10	142,085	142,085
Accumulated deficit		(159,358)	(159,358)
		<hr/> Lm887,683	<hr/> Lm644,103



Prof J Pirotta  
Chairman



A J Ellul  
Chief Executive



## Cash Flow Statement

for the year ended 31 December 1996

	Notes	1996 Lm	1995 Lm
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus for the year		243,580	414,691
Adjustments for:			
Interest receivable		(7,412)	(5,606)
Depreciation		81,508	39,668
Profit on disposal of tangible fixed assets		(859)	(3,615)
Increase in creditors and others payables		5,818	2,967
(Decrease)/Increase in debtors and other receivables		49,849	(76,918)
		<u>372,484</u>	<u>371,187</u>
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposals of tangible fixed assets		1,020	6,000
Payments to acquire tangible fixed assets	A	(167,669)	(470,456)
		<u>(166,649)</u>	<u>(464,456)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>			
<b>FINANCING ACTIVITIES</b>			
Interest received		<u>7,412</u>	<u>5,606</u>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		213,247	(87,663)
<b>CASH AND CASH EQUIVALENTS</b>			
AT BEGINNING OF YEAR	B	91,899	179,562
<b>CASH AND CASH EQUIVALENTS</b>			
AT END OF YEAR	B	<u>Lm 305,146</u>	<u>Lm 91,899</u>



## Notes to the Cash Flow Statement

for the year ended 31 December 1996

### A TANGIBLE FIXED ASSETS

During the year, the Authority acquired fixed assets with an aggregate cost of Lm123,115. Lm167,669 were paid for during the year in respect of current and previous year purchases.

### B ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	31.12.96 Lm	31.12.95 Lm	Change in year Lm
Bank balance overdrawn	(36,034)	(30,468)	(5,566)
Cash at bank and in hand	341,180	122,367	218,813
	<u>Lm305,146</u>	<u>Lm91,899</u>	<u>Lm213,247</u>



## *Notes to the financial statements*

for the year ended 31 December 1996

### **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 vehicle	20
Furniture, fittings and office equipment	10 - 20
Transmitting antenna	4

No depreciation is provided for on freehold land.



## 2 INCOME

Income is made up as follows:

	1996 Lm	1995 Lm
Government contributions	400,000	300,000
Bank interest	7,412	5,606
Application fees for sound broadcasting licences (i)	350	350
Licence fees for nationwide sound broadcasting services (i)	57,550	57,600
Franchise fees	30,000	30,000
Other income (ii)	12,721	155,703
Gain on disposal of fixed assets	859	3,615
Rental fees receivable	1,000	1,375
	<hr/> Lm509,892	<hr/> Lm554,249

### (i) TECHNICAL ASSISTANCE

Twenty per cent of radio application fees and radio and TV station licence fees 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.

(ii) Other income mainly represents equipment donated to the Authority by Melita Cable Television Company Limited in terms of the agreement between the said company and the government. This includes the donation of an a Microwave Link in the year under review under the same agreement.



### 3 TANGIBLE FIXED ASSETS

	Freehold Land	Buildings & Improvements	Fixtures, Fittings & Equipment	Technical Equipment	Studio Equipment	Motor Vehicles	Transmitter Antenna	Total
	Lm	Lm	Lm	Lm	Lm	Lm	Lm	Lm
Cost								
At 01/01/96	68,804	510,011	49,201	29,483	230,896	8,572	113,821	1,010,788
Additions	-	24,275	18,794	7,102	51,552	8,571	12,821	128,115
Disposals	-	-	-	(488)	-	(3,947)	-	(4,435)
At 31/12/96	68,804	534,286	67,995	36,097	282,448	13,196	126,642	1,129,468
Depreciation								
At 01/01/96	-	6,796	25,491	24,630	27,138	4,872	15,017	103,944
Charge for the year	-	5,343	7,440	4,531	56,490	2,639	5,065	81,508
Released on disposal	-	-	-	(327)	-	(3,947)	-	(4,274)
At 31/12/96	-	12,139	32,931	28,834	83,628	3,564	20,082	181,178
Net Book Value								
At 31/12/96	68,804	522,147	35,064	7,263	198,820	9,632	106,560	948,290
At 31/12/95	68,804	503,215	23,710	4,853	203,758	3,700	98,804	906,844



### 3 TANGIBLE FIXED ASSETS (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:

	1996 Lm 655	1995 Lm 655
Cost		
Aggregate depreciation on cost	Lm -	Lm -

The cost of fully depreciated assets still in use at the year end amounted to Lm41,322 on which depreciation otherwise chargeable would have amounted to Lm7,325.

### 4 INVESTMENTS

	1996 Lm 1	1995 Lm 1
1 ordinary share of Lm1 in Master Antenna Limited		

### 5 DEBTORS

	1996 Lm	1995 Lm
Amounts falling due within one year:		
Licences receivable	16,000	15,000
Government contribution	-	70,000
Advance payments	17,000	-
Other debtors	1,457	256
Prepayments and accrued income	5,750	4,800
	40,207	90,056

### 6 CASH AT BANK AND IN HAND

	1996 Lm	1995 Lm
Cash at bank	335,775	118,586
Cash in hand	5,405	3,781
	341,180	122,367

The Authority is committed to utilise Lm297,186 of its funds towards capital expenditure already authorised/contracted for during the current year (refer note 11)

### 7 CREDITORS FALLING DUE WITHIN ONE YEAR

	1996 Lm	1995 Lm
Bank balance overdrawn	36,034	30,468
Trade creditors	3,189	-
Capital creditors	22,366	66,920
Accruals and deferred income	40,683	38,054
	102,272	135,442



## 8 PROVISION 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:

	1996 Lm	1995 Lm
Balance at 1 January/31 December	339,723	339,723

The agreement expired on 28 September 1991.

## 9 CAPITAL FUND

	1996 Lm	1995 Lm
Balance at 1 January	661,376	246,685
Surplus for year	243,580	414,691
Balance at 31 December	904,956	661,376

## 10 RESERVES

	Revaluation Reserve	Reserve fund	Total
At 1 January and 31 December 1996	Lm126,085	Lm16,000	Lm142,085

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

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

## 11 CAPITAL COMMITMENTS

	1996 Lm	1995 Lm
Capital expenditure that has been authorised by the Authority but has not yet been contracted for	119,609	7,855
Capital expenditure that has been contracted for but has not been provided for in the financial statements	177,577	39,827



***Income and Expenditure Account***  
for the year ended 31 December 1996

	Page	1996 Lm	1995 Lm
<b>INCOME</b>			
Government contributions		400,000	300,000
Bank interest		7,412	5,606
Application fees		350	350
Licences		57,550	57,600
Franchise fees		30,000	30,000
Other income		12,721	155,703
Gain on disposal of fixed assets		859	3,615
Rental fees receivable		1,000	1,375
		<hr/> 509,892	<hr/> 554,249
<b>EXPENDITURE</b>			
Technical assistance		11,580	11,590
Administrative	94	176,670	153,772
Annual Events	94	24,784	24,303
Production	95	164,840	72,918
Monitoring	95	51,421	50,926
Technical	95	37,017	23,049
		<hr/> 466,312	<hr/> 336,558
<b>SURPLUS OF INCOME OVER EXPENDITURE</b>			
Additional contribution for capital expenditure		43,580	217,691
		<hr/> 200,000	<hr/> 197,000
<b>TRANSFER TO CAPITAL RESERVE</b>			
		243,580	414,691
		<hr/> (243,580)	<hr/> (414,691)
<b>SURPLUS FOR THE YEAR</b>			
		<hr/> -	<hr/> -



**ADMINISTRATIVE EXPENSES**  
for the year ended 31 December 1996

	Notes	1996 Lm	1995 Lm
Members' honoraria		20,140	20,088
Legal advisor's honoraria		3,250	3,000
Salaries		73,308	57,762
Staff training		-	375
Telecommunications		5,899	4,124
Water and electricity		6,329	1,752
Insurance		3,605	2,552
Ground Rent		6	-
Rent		-	2,456
Stationery		4,715	3,751
Subscriptions and publications		1,793	1,395
International organisations membership fees		6,846	6,432
Repairs and maintenance		3,106	2,745
Public relations		4,194	3,873
Duty visits abroad		7,351	6,369
Transport		1,224	3,015
MBA annual reports		3,019	5,417
Advertising		5,798	5,921
Rental of radio and T.V. sets		2,215	731
Sundry expenses		4,969	3,667
Auditors' remuneration		518	518
Legal and professional fees		537	2,174
Depreciation		17,848	15,655
- to page 93		176,670	153,772
<b>ANNUAL EVENTS</b>			
Programme Awards		14,217	5,992
Audience research study		4,156	4,827
International conferences and seminars	1	6,411	13,484
- to page 93		24,784	24,303

**Notes:**

1. 1995 expenditure included the hosting by the Authority of a group meeting of the European Institute for the Media as well as hospitality offered by the Authority during a session of the European Broadcasting Union which met in Malta in July 1995.



**EXPENDITURE SCHEDULES**

For the year ended 31 December 1996

	1996 Lm	1995 Lm
<b>PRODUCTION DEPARTMENT</b>		
Wages and salaries	44,740	38,371
Production of documentaries	23,571	11,819
Channel 12 promotional expense	9,589	-
TV political and general election broadcasts	7,382	1,286
Sundry	1,150	812
Depreciation	60,524	18,928
Hire and purchase of films	15,428	-
Transport expenses	2,176	1,702
Staff training	280	-
- to page 93	164,840	72,918
<b>MONITORING DEPARTMENT</b>		
Wages and salaries	49,139	46,147
Monitoring and supervision of programmes	308	347
Depreciation	1,791	4,313
Sundry	183	119
- to page 93	51,421	50,926
<b>TECHNICAL DEPARTMENT</b>		
Wages and salaries	29,694	20,869
Repairs and maintenance	2,016	-
Depreciation	1,345	773
Sundry	3,962	1,407
- to page 93	37,017	23,049





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