

Summary

Public service - an international comparison

The media landscape is characterised by major transformations. Digitisation and the growing significance of the internet in relation to media use have placed public broadcasting and newspaper publishing under competitive pressure. Accordingly, there is much debate about the legitimacy and the mandate of public broadcasting in the digital age. In addition, the traditional funding model of a charge based on ownership of equipment is being affected by digitisation. As a result of the technical convergence of reception devices and distribution channels, the funding of public broadcasting organisations is placed under scrutiny. The policy needs a well-founded basis for decision-making, in order to address reforms and plan the future of media regulation. The “**Public service - an international comparison**” research project focuses on these issues and provides knowledge about public broadcasting and its regulation, prepared applying contemporary scientific methods.

The state of research in relation to public broadcasting is broad and varied. However, comparative studies are few and far between and are often outdated because of the rapidly changing regulatory environment; the majority of studies focus on public broadcasting in detail. This comparative study examines the **following questions**:

- how the public service mandate is defined;
- how the public service is financed;
- which offerings are provided by the public service and how these are used;
- which reforms relating to the public service are currently being discussed.

It compares regulation in **18 Anglo-Saxon and European media systems** on the basis of a qualitative document analysis. In addition, country correspondents were involved in the work, for communicative validation of the results.

The **results** of the comparative analysis clearly show that numerous differences exist between the media systems examined. The following conclusions can be drawn from the study:

- **Definition and mandates:** The definition of the mandate in terms of content is formulated in a similar way in all cases. The online service offering now also forms part of the public service. In terms of organisation and structure, the basis is an independent non-commercial organisation, with the exception of New Zealand. In addition, a wide range of accountability tools are available.
- **Funding:** Hybrid funding of the public service from public resources and advertising is the norm. In terms of public resources, funding via a fee based on the ownership of equipment still currently dominates in Europe. Responsibility for setting the level of public funds generally lies with parliament or the government. An attempt is sometimes made to depoliticise the decision through indexation.
- **Service offerings and use:** at the national/regional-language level, an average of seven radio stations (between three and fourteen) and five television stations (between two and fourteen) are provided. The market shares in radio are for the most part between 50% and 80% and in television between 20% and 40%. Websites with information accompanying transmissions, topical news, live streaming and audio and video on demand are offered by all broadcasters.
- **Discussion and reforms:** In many countries the public service is faced with some drastic budget reductions. The role of public broadcasting on the internet is also giving rise to discussions.

The results of this study provide stimuli for the discussion of media policy in Switzerland, especially in relation to the future definition of the public service in the audio-visual arena.

First of all it is apparent that in practically all the media systems examined **the public service is defined not only in terms of content but is associated with a non-commercial media organisation**. Content-related definitions are expressed in very general terms – apart from specific obligations (for example, quotas for children's programmes or European content) – in order not to endanger media freedom. **The institutionalisation of an organisation which is not bound by commercial objectives remains central**. On the other hand, the New Zealand model used with film subsidies must be regarded as having failed. However, the comparison also shows that public service regulation should reasonably include accountability and reporting obligations with public consultations in order to **ensure accountability**.

With regard to the breadth of the mandate it is becoming clear that in all media systems "public service broadcasting" may develop with certain restrictions into a **"public service medium"** and is present with new digital offerings. Only in this way can it be ensured that the public service does not disregard citizens. Instruments exist for this purpose, using so-called public value tests, to examine the effects of new offerings on society and commercial media.

For the future definition of the public service in Switzerland it therefore seems important to **retain an independent and non-commercial organisation, to define content-related obligations only very generally, to allow ongoing development on new digital platforms with consideration of the needs of citizens and privately owned media, and to control the public service in particular through funding and accountability**. Considering the emotive force of the "public service" theme, discussions about the performance and financing of the SRG SSR should be institutionalised to a greater extent. By analogy with the Irish or British model, the SRG SSR could be obligated to file an annual account of its performance over the preceding year and to present planned performance for the next year. Similar instruments could also be used in the context of future licence renewals (accountability during the last licence term, strategy for the next licence term). So-called "town hall meetings" represent another option. To legitimise the public service in the internet age, such communication with citizens on an equal footing appears crucial. The introduction of an *ex-ante* test (which should be as unbureaucratic as possible) is also worth examining.

Secondly, the comparison shows that there are hardly any templates concerning public broadcasting organisations' **service offerings and use**. At the national/regional-language level, an average of seven radio stations (between three and fourteen) and five television stations (between two and fourteen) are provided. The market shares in radio are for the most part between 50% and 80% and in television between 20% and 40%. Websites with information accompanying transmissions, topical news, live streaming and audio and video on demand are offered by all broadcasters.

Thirdly, with regard to **funding** the comparison makes it clear that **hybrid funding** of the public service, as is the case in Switzerland, is very widespread in Europe. Even if removing advertising from the philosophy of the public service would be desirable, exclusive financing of the SRG from public funds might prove unrealistic, given that Switzerland is a small and multi-lingual state, since this would necessitate either substantial restrictions of the service offering or a considerable increase in the fee or levy. Moreover, experience in Ireland indicates that restricting the possibilities of advertising in public broadcasting does not favour the domestic private stations; instead, advertising windows from abroad are the beneficiaries.

It is also becoming clear that a charge based on the ownership of equipment is an obsolete model. A broadcasting tax or household levy (as is also being introduced in Switzerland) to be paid by private individuals and businesses has emerged as a **promising model**. Funding from the national budget

must be acknowledged as problematic, because of the possibilities of (party-)political influence that are opened up as a result. Though only a few media systems have definitively abandoned an equipment-based fee, in the near future several States may well follow the Finnish, German and Swiss models.

The **amount of the fee/levy** in Switzerland is put clearly into perspective when one considers the multilingual offering. Greater depoliticisation would be appropriate when setting the level of public funding. The comparison shows that there would be various ways of making this decision more independent, ranging from indexation to the cost of living through to the involvement of a committee of experts.

In addition, stricter **regulation of advertising** could counter further commercialisation, for both the SRG and private broadcasters. For instance, a ban on advertising in relation to children's programming or a ban on alcohol advertising would be conceivable. However, losses in revenue would have to be offset, in order to avoid imposing limits on the offering.

Despite technological changes, which have for the most part eliminated the scarcity of frequencies as a reason for regulation, and new forms of communication such as social media, and in the light of cost-saving measures in journalism, commercialisation and transnationalisation of the media system, the social, political and cultural justifications for the public service have lost none of their importance even in the digital age. The present comparison provides some important reference points for public service regulation: **with a mandate which is not limited to radio and television broadcasters, extended accountability obligations and funding which is sufficient to fulfil the mandate and which is free from political influences**, it is possible to take the public service into the future and insist on high-quality performance for citizens on all platforms. At the same time there are also **options for compensating for the excessively strong position of the SRG SSR**, for example by direct support for the media for (new and independent) journalistic platforms or by building a common online platform which offers on-demand access to video and audio content of all licensed regional broadcasters. Only together can publishing houses, online publications, regional broadcasters and the SRG SSR ensure a diverse media landscape which is appropriate for Switzerland's direct democracy and federalism.

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