Is there a future for Public Service Broadcasting?

Kevin Bakhurst, Managing Director RTÉ News & Current Affairs, addresses Galway Mayo Institute of Technology.

May I just start by thanking GMIT for the invitation to speak here this afternoon – it’s a great honour but it is also a small way of cementing RTÉ’s close and growing relationship with GMIT – and with a number of other IT’s around Ireland. I would argue it also says a lot about the subject of today’s talk – is there a future for Public Service broadcasting?

Public service broadcasters across the world face similar challenges to those faced by RTÉ, and it would be wrong to understate those. In fact the obstacles to public service broadcasters could almost look like a “perfect storm”.

Firstly there is the changing market place. When organisations like RTÉ or the BBC were set up nearly a century ago, they were simple radio broadcasters in small isolated markets with a captive audience. Here in Ireland, RTÉ’s radio service had its own way from its beginnings in 1926 until everything changed in 1961, when the market became more complicated with the arrival of the new kid-on-the-block: television.

Equally, RTÉ had its own way in Ireland for over three decades until the advent of commercial radio in 1989, and the launch of Ireland’s first commercial TV broadcaster, TV3, in 1998. Still, even then, the Irish broadcasting marketplace looked pretty un-crowded.

Even as recently as 1998, the complexity and level of competition of today’s broadcast market was unthinkable. The arrival of the internet and the opportunities that followed brought another wave of change. Then, for the broadcasters, technology swept away the protection offered by the Irish sea and delivered multi-channel television to Ireland, with digital switchover complete last year.

For the Irish audience, choice has never been better or greater. Television can be delivered by satellite, cable or digital terrestrial. You can choose from over two hundred channels.

And at the same time – as it is across Europe – the challenge and competition facing public service broadcasting here in Ireland has also never been greater.
In such a crowded market place, RTÉ has to fight for audience and it has to battle for income. As a media organisation that is funded by both licence fee and by commercial income, that poses a real challenge to the organisation.

On the commercial front, RTÉ now faces a dual challenge. Firstly, the economic troubles of the country over the last few years have resulted in a significant fall in commercial income. To add to that, there are now around 40 channels on Sky here in Ireland who are selling advertising in the Irish market in direct competition with RTÉ and TV3.

As far as TV audience goes, RTÉ needs to maintain a critical level of audience to justify future public funding. That means creating enough compelling content to persuade our audiences to stay with us – when budgets for doing so are under more pressure than ever.

Of course, it isn’t possible simply to look at television in isolation. We now live and operate in a multimedia marketplace where our competition comes from other TV national and international stations – but also from radio, websites, Playstation, Youtube, Netflix and so on.

RTÉ may still be a big player here in Ireland but that is no longer the pitch we’re playing on. TV3 and companies like Denis O’Brien’s Newstalk aren’t our only major competition. We are now battling it out for audience with major international players such as Sky, ITV, the BBC, CNN and so on. To give you a flavour of the relative sizes involved – in 2011, total television revenues in Ireland 2011 were €879 million. You may wonder how that figure was divided up – what did RTÉ take and what did our competition take? The answer is this: of the €879 million – RTÉ took €225 million. One company took €157 million more than RTÉ – and that company was Sky. Of the total €879 million – in 2011 Sky took €382 million – a staggering 43 per cent of TV revenue available in Ireland. And that was in 2011 – well ahead of digital switchover. Recent figures also show that of all television revenue in Ireland, 58 per cent is collected by subscription. For RTÉ – and for public service broadcasting – that is competition and that is a real challenge.

Well – so far, so bad, you may think, when we’re considering the future of public service broadcasting. The challenges are real and are clear. However, I am a natural optimist and there are good reasons to remain optimistic.

Competition and financial challenge can result in one of two outcomes – you can do nothing and face decline and ultimate defeat; or you can choose to change and
face the future – and that is what RTÉ has been doing, as have the more successful public service broadcasters across the world.

Firstly, RTÉ has radically changed the way we operate. It has been a challenging process for many people, but between 2008 and 2012, RTÉ reduced our operating costs by €125 million, with 500 people leaving the organisation during that time. I remember well shortly after I arrived going to a leaving-do for 15 people in News and Current Affairs, who between them had over 400 years experience. No organisation would find it easy losing that amount of experience – yet the people in RTÉ News have risen to the task brilliantly.

Secondly, RTÉ is relentlessly focused on our audience – our licence fee payers. We try to provide a range of programmes and content that will interest and engage our viewers and listeners. Despite the immense competition, many of our programmes still attract a very high percentage of the total audience. Recent GAA finals have won over 60% of the total TV audience; the new series of Love/Hate is attracting around 55% of those watching TV. On a nightly basis the Six-One News gets 40% of all the viewers available.

Thirdly, RTÉ moves faster. RTÉ Digital has rapidly created new popular services such as the RTÉ Player. The RTÉ News Now App has been downloaded over a million times, and will be refreshed with a cutting-edge new look later this year. As the audience moves from desktops to mobiles and tablets, we have responded with new ways of delivering our content.

One of the key questions for RTÉ’s future is how we are publicly funded in a multichannel multimedia era, where TV is only one way that audiences consume our content. Many countries across Europe are looking again at the notion of TV Licences versus a more modern and appropriate way of funding multimedia public service content. Here in Ireland, the proposed public service media charge is in line with some of that new thinking in Finland and Germany. It promises a more efficient and future-facing way of funding that content.

I have outlined a number of reasons for optimism about the future of public service broadcasting, and RTÉ, in Ireland: organisational change; focus on audiences; rapid decision making and introduction of new services; and funding.

However more than all of those, I remain optimistic because of the role of public service broadcasting in individual countries – and of RTÉ in Ireland – and the values that we are based on. And those values are something we must never lose sight of.
In Ireland, RTÉ reflects the country to itself – and reports the world to Ireland. We produce original Irish drama and comedy; cover the big Irish sporting moments that unite the country; we deliver hours of News and Current Affairs output every day; we produce Irish language TV and radio content – and shortly online Irish news content; our orchestras play to tens of thousands every year.

In News and Current Affairs, we provide independent, impartial and fair news coverage that reflects the most important stories in Ireland and around the world. We bring major national moments and events to our audience – hold the powerful to account – and our investigative journalism challenges shady practices and wrongdoing.

We don’t get everything right of course – but we strive for the highest standards we can, and we need to be open and honest when we make mistakes.

I honestly believe that the values that public service broadcasters, and RTÉ, stand for are good ones. RTÉ’s programme guidelines set out a clear set of principles and rules. They say:

“Trust is central to public servicing broadcasting. If RTÉ is to prosper it can only be based on the confidence of the Irish people that they can trust what they see and hear on their radios, televisions and computers. RTÉ must be accountable for all it does. The public are entitled to expect nothing but the best from RTÉ.”

It is a set of principles that I have seen at work in RTÉ every day since I arrived just over a year ago and in my view it is the foundation for the future of RTÉ and public broadcasting.

Lastly, I’d like to return to my opening thoughts on our relationship with GMIT and its relevance to today’s talk. A little over a year ago – when I was given this job – RTÉ faced the probability of having to close down a number of our regional offices. We needed to save a large amount of money: the London office was already set to close. In my view, pulling out of some of the regions of Ireland would have been disastrous for our news coverage and for RTÉ as a whole. So we considered innovative ways of staying, of using new technology and creating new partnerships in the regions, in some cases moving into the IT premises, in others working with the IT’s on a range of other initiatives. It allowed us to deepen our relationships in the regions whilst overall cutting our overheads and costs.

GMIT and Michael Carmody were very much at the forefront of developing this relationship with RTÉ – and therefore helped cement our regional presence here in Galway – as other ITs have also done, in Dundalk, Waterford, Athlone and
Sligo. The relationship here represents innovation: rapid and creative change and connection and partnership with audiences. I would like to thank the IT again: it is the type of relationship and thinking that underlines the qualities that can underpin the future of public service broadcasting here in Ireland.