

ECONOMIC AND SOCIAL COMMITTEE

Brussels, 17 July 1985

REVISED DRAFT REPORT
on
Television without Frontiers
Green Paper on the Establishment of the
Common Market for Broadcasting, Especially
by Satellite and Cable
(COM(84) 300 final)

Rapporteur : Mr BROICHER
Co-Rapporteurs : Mr PRONK and Mr RAMAEKERS

Sent on : 18 July 1985

To the Members of the
Sub-Committee on Television
without Frontiers

N.B. : This document will be discussed at the meeting on
25 July 1985.

CES 374/85 rev. D/F/AG/dht

On 13 December 1984 the Economic and Social Committee, acting under the fourth paragraph of Article 20 of the Rules of Procedure, decided to draw up an Opinion on the

Green Paper on the Establishment of the Common Market for Broadcasting, Especially by Satellite and Cable.

The composition of the Sub-Committee set up to carry out the preparatory work under Article 17 of the Rules of Procedure was as follows :

Chairman : Mr FLUM
Rapporteur : Mr BROICHER
Co-Rapporteurs : Mr PRONK
Mr RAMAEKERS

Members : Mr ANTONSEN
Mr ARENA
Mr CARROL
Mr DE GRAVE
Mr GLESENER
Mr HILKENS
Mr MERAUIGLIA
Mr MULLER
Mr POETON
Mr QUERLEUX
Mrs RANGONI-MACHIAVELLI
Mr ROSEINGRAVE
Sir George SHARP
Mr VAN MELCKENBEKE

Experts

Mr BODINAUX (for the Co-Rapporteur, Mr RAMAEKERS)
Mr DETJEN (for the Rapporteur)
Mr NEDZYNSKI (for the Co-Rapporteur, Mr PRONK)

The Sub-Committee adopted its Report at the meeting on 25/26 July 1985.

1. General Comments

1.1. Most members of the Sub-Committee consider that the Green Paper provides an excellent analysis of the legal problems of unrestricted broadcasting and the creation of a Community broadcasting market, particularly in the context of the use of cable and satellites. However it regrets that economic, social and cultural problems are dealt with only superficially.

1.2. Some members welcome the Green Paper as a fundamental approach to a full understanding of (a) the technical and legal aspects of unrestricted broadcasting, and (b) the problems and opportunities stemming from the creation of a Community broadcasting market, particularly through the use of cable and satellites.

1.3. The Sub-Committee considers that it should be involved in the opinion-forming process before any of the directives envisaged in Part Six of the Green Paper are drafted and believes that it should play its role as a major institutional vehicle for the expression of the views of economic and social interest groups. Cultural, labour-market and consumer-policy aspects of broadcasting will also have to be taken into consideration.

1.4. The Sub-Committee would emphasize that it is not the task of the Community to interfere with the media structure of individual Member States. The licensing of television and radio organizations therefore remains the sole responsibility of the

Member State concerned. Member States bear particular responsibility for deciding whether to grant an operating licence to public broadcasting services, commercial broadcasting companies, or both. The ideas set out in the Green Paper suggest rather that the sole aim is to ensure broadcasters are able to transmit their programmes to all countries of the Community and likewise to ensure that EEC viewers are able to receive all broadcasts transmitted in the Community.

1.5. This objective is approved by the Sub-Committee.

1.5.1. Some members regret in this connection that the Green Paper is more interested in discussing the quantitative aspects of removing national barriers than in dealing with the qualitative aspects of programme content. This is all the more regrettable since commercial broadcasting companies can compete with public corporations without being subject to the same obligations.

1.5.2. Other members would point out that commercial broadcasters are also subject to public supervision and so must ensure that the quality standards imposed by the Member State in question are actually met in their programmes.

1.5.3. A further group of members wonders whether a European body for the supervision of independent broadcasters along the lines of the IBA in the United Kingdom would not offer additional guarantees.

1.5.4. In the opinion of yet another group of members radio and television are exceptionally important media, primarily because they have such a large range. From the point of view of a European plan the best possible organizational set-up is one whereby these media are collectively supported and financed by the citizens of the country in question. This provides the best guarantee against the concentration of power in one or the other direction. Any concentration of power in this sector is a great danger to the citizen's intellectual freedom.

1.6. Regrettably the Green Paper does not indicate the extent to which foreign-language programmes from abroad are actually tuned into today. Statistics from Member States in particular situations such as Belgium, the Netherlands and Ireland indicate that, generally speaking, European audiences at the present time only tune into programmes broadcast in their national language or one of their national languages. And yet foreign-language broadcasts from abroad are important from the point of view of European integration since they not only enable people to gain an insight into the situation of other Member States through news broadcasts and other informative programmes, but also give European citizens, and particularly workers using their right of free movement, the opportunity to hear broadcasts in their own mother tongue wherever they may be living or working in Europe.

1.7. Satellites, in conjunction with broadband communication networks, are changing the technical infrastructure of broadcasting markets in Europe. Alongside the traditional, regional and national fields of operation of broadcasting organizations, distribution channels are now being internationalized. Satellite transmissions are not confined within national borders. Today as many as ten programmes are already being transmitted via satellite and fed into cable networks. This tendency will be further reinforced with the future generation of direct broadcasting satellites. At the same time we should remember that in the long run these technological developments may well change the very face of the media in the Community. Steps should accordingly be taken to ensure that such technological developments do not endanger access to diversified information, and the expression of a wide range of opinions, in the Community

2. Technical and economic aspects

2.1. In the case of the printed media, where traditional contractual agreements have been concluded, there is already a dense network of European market relations and firms operating on a European-wide basis.

2.1.1. In contrast with the printed media, there are as yet only a handful of broadcasting services which operate on an international scale in Europe both in terms of programmes (e.g. the external services provided by public agencies such as Deutschlandfunk, France Inter, BBC External Services) and also economically (e.g. RTL/CLT, Radio and Tele Montecarlo). An example of the new type of international media company, made possible solely by satellite technology, is the British Sky Channel.

2.1.2. Already today many television productions in Europe can only be financed as international co-productions. In the field of cooperation between broadcasting organizations the EBU has already proved to be a success and so should be further developed. The Commission itself is right in considering that it has a duty to promote and encourage cooperation and exchanges between European television and radio organizations (including co-productions designed for a European public), whilst taking steps to ensure that there is as wide as possible a choice of programmes¹. It would therefore be a welcome move if, in its planned Directive on the harmonization of certain provisions regulating the law on broadcasting, the Commission were to put forward measures designed to guarantee and further the production of television programmes in the Community, to encourage the emergence of autonomous EEC programme producers operating independently of broadcasting organizations, and hence to stimulate creativity and cultural life in Europe.

2.1.3. The EEC should also make use of the move in the direction of an integrated radio and television policy in order to make the European ideal more tangible for the Community's citizens. This means, in particular, that the call for an independent European television channel endorsed by the European Parliament should be given serious consideration.

2.2. The removal of legal obstacles to the freedom of establishment and free movement of services and programmes in the television sector will not suffice to create a common television

¹ Cf Proposal for a Regulation (EEC) of the Council on Community Aid for Film and Television Co-Productions in the Entertainment Field (COM(85) 174 final).

market comparable with that in America. European markets are in a special situation because of the many different languages used. However, new sound transmission techniques which allow broadcasting in several languages can help overcome these language barriers.

2.3. Only through an efficient European programme industry, whose position would be strengthened by a common broadcasting market, can Europe withstand competition on world markets dominated by American production studies. This would in no way imply a weakening of local, regional and national potential. Rather it would mean that creative and economic capacities at these levels would be combined in a single market permeable at all levels and would be strengthened within integrated system of local, regional, national and international programmes.

2.4. The creation of a common market for radio and television would be of great importance for whole areas of the European economy.

2.4.1. Widening the scope for television and radio programmes in Europe would provide manufacturers of technical equipment (studio equipment, transmission technology, satellite technology) with new market opportunities.

2.4.2. Europe's television-manufacturing industry has gained a lead over manufacturers in other continents through developments such as the Bildschirmtext, Videotext, Teletel, Antiope, etc. The trend is towards the manufacture of multifunction television sets that can also be used as home terminals for data services (interactive videotext).

2.4.3. Cross-frontier television broadcasting acts as an additional spur to the creation of efficient integrated communications networks which are of vital importance for the international competitiveness of European industry in the future.

2.5. Restrictive and protectionist measures would, however, make it difficult or even impossible to exploit the economic potential of a common European market for television programmes.

3. The social aspects of cross-frontier television and radio broadcasting

3.1 Employment trends in the media sector

3.1.1. Defining the media sector is not easy since it does not fit in with sectoral classifications. The media sector in fact cuts across several branches of activity both in the services sector (journalists, technicians, creative artists) and in industry (manufacture of equipment).

3.1.2. In the United Kingdom, for example, a large number of workers in the paper, printing and publishing industries are classified as media workers. According to figures released by the UK Ministry of Employment (June 1983) the electrical engineering

sector as a whole employed 628,500 persons, including 350,000 in the electronics industry and 33,700 in the insulated wire and cable industry. The paper, printing and publishing industries accounted for 473,900 workers, including 329,100 in printing, publishing and bookbinding.

3.1.3. In the Netherlands the information sector, i.e. the sector making information products, had an output equivalent to 10% of GNP. The various companies operating within the information sector (computers, telephone systems, radio and television studios, radio and television sets and programmes, films, books, magazines, newspapers, gramophone records, advertising and information reports) employed more than 5% of the working population.

3.1.4. Still in the Netherlands, 400,000 people were working in the information sector in 1983, including about 65,000 in the printing and allied industries, 100,000 in electronics and 65,000 in communications enterprises.

3.1.5. In the Federal Republic of Germany 350,000 persons are employed in the manufacture of information equipment. In a non-Community country such as Austria, where teachers and scientists are also classified as media workers because they likewise produce information, 900,000 persons are estimated to be employed in the information and communication sectors, i.e. approximately one-third of all Austrian workers. These differences in the

definition of what goes to make up the media sector make it difficult to evaluate the effects on employment of changes in the structure of the sector and in the technologies used. A number of trends can, however, be identified.

3.1.6. In the printing and allied industries, for example, the introduction of photocomposition and office automation is rationalizing production and leading to printers and journalists being thrown out of work. Portugal is a striking example of this as the introduction of new technologies in the country's biggest printing works will make it possible for all of Portugal's newspapers to be printed in the one place, putting the survival of all the other printing works at risk.

3.1.7. Many electrical engineering firms have switched to electronics. Increased production in this sector has been offset by increased productivity so that in overall terms very few new jobs have been created.

3.1.8. The Italian State (Ministry of Posts and Telecommunications) has committed itself to executing a Ten-Year Telecommunications Plan (1981-1990) worth 32,000 million Lire. The aim of the Plan is to expand the telecommunications network, increase its capacity, and introduce new telematics services via a public network linked to special private service networks. Under the Plan the loss of jobs in the electrical engineering sector (10,000) will be offset over the ten years by the increase (15,000) in jobs in telecommunications.

3.1.9. In the Federal Republic of Germany the DGB has calculated that cabling and digitization of the telephone network to permit more rapid and more accurate data transmission will affect about 12 million jobs (job changes or job losses). Cabling per se will create only 10,000 to 15,000 new jobs per 1,000 million DM invested. So far it has not been possible to put a figure on the number of jobs that will be lost as a result of the rationalization brought about by cabling. One cannot, however expect many new jobs to be created in the radio and TV sector.

3.1.10. In France the CFDT has worked out that telematics and office automation will lead to 300,000 job losses and 100,000 new jobs by 1985. Despite the installation of cable networks, firms in the telephone and allied sectors will shed 34,000 jobs and create no more than 18,000 new jobs in other lines. On the other hand, it is likely that about 150,000 new jobs will be created in firms manufacturing products connected with the new media (Minitel, microcomputers, aeriads for direct broadcasting by satellite, etc.). Against this, about 50,000 jobs will disappear as a result of restructuring in certain sectors of the chemical industry (e.g. development of film), live entertainment, the press and publishing. All in all, the creation of jobs in the electronics, cable manufacturing and audiovisual sectors will not be sufficient to compensate for job losses in the traditional media.

3.1.11. In Luxembourg the new technologies have been brought in without any job losses in the printed press, whilst the development of RTL-Plus has led to the creation of new jobs in the audiovisual field.

3.1.12. In Italy the unions consider that whatever the set-off between sectors, the media sector will experience a massive cut-back in jobs.

3.1.13. The Sub-Committee is afraid that the overall number of jobs in the media sector will fall insofar as mergers and multi-media concerns come into existence. There might also be adverse repercussions in such related sectors as, for example, telecommunications. At the same time, however, one should not overlook the effect there is going to be on employment in telecommunications, and the impact thereof on the development of the economy as a whole. The Sub-Committee regrets that the Commission's Green Paper fails to give careful consideration to the effects of its proposals on employment. It therefore calls upon the Commission to carry out further studies in this area.

3.1.14. Some members would point out that the arrival of new technologies and structural changes brought about partly by mergers of firms and groups of firms, will lead to sharper

competition between undertakings in the same sector. This will have a positive impact on economic development but will undoubtedly have a damaging effect on employment levels.

To avert this danger the Committee calls upon the Commission to immediately introduce a vigorous manpower policy in the sector in question.

3.2. The social effects of changes in the media scene

3.2.1. In the view of the Sub-Committee it is impossible to classify employees as working in this rather than that medium with any complete certainty. Much overlapping occurs, obvious examples being those who work in journalism and the arts and those who have jobs in the manufacturing industries. Nor are there any really useful statistics to go on in the Community. The Green Paper, however, reckons that approximately 1% of the workforce is employed in all media industries, a figure which will be higher if one includes all those working only partially for the media.

3.2.2. Although it is possible to identify the general trend of fluctuations in employment in individual sectors, it is hardly possible to give any really concrete figures, even at national level. Of central importance, however, is the fact that, with or without the abolition of frontiers for television, such fluctuations are mainly determined by changes in national media structures, although it is impossible to establish where manpower will be drawn from or whether new, additional jobs will be created.

3.2.3. In this connection it should, however, be noted that the displacement processes (whereby films squeeze out the theatre, and television and the theatre squeeze out the cinema) have come to a stop for the time being.

3.2.4. In view of the expanding range of media now available, and the complexity of the services offered to households by means of integrated home terminals, consumer policy measures are both possible and appropriate. Special emphasis will have to be placed on the development of approaches conducive to the responsible use of media.

3.2.5. The wide variety of new media on the market, and the many potential services available via home terminals, signal a completely new age for the consumer. The consumer now has access to more diversified information but needs to be given an intensive course of consumer education if he is to be able to use it properly. The increase in the range of media services now becoming available necessitates consumer-policy measures to prevent the consumer unwittingly becoming the plaything of those who exercise a direct influence on the media and on the information disseminated thereby. Consumer education can help the consumer make responsible use of media services. Consideration should be given to whether consumer organizations might not themselves be able to help in this task via their own consumer education programmes.

3.2.6. Some members consider that harmonization in the field of broadcasting throws up various social problems for even larger sections of the population and particularly consumers. The first

concern is that the greater opportunities opened up by satellite and cable might lead to discrimination regarding access to information, with certain social groups finding themselves excluded from the new range of media services on offer. These questions deserve to be looked at carefully. Secondly, steps need to be taken to ensure that broadcasting media do not have a harmful effect on citizens in general and on certain groups of society in particular

3.3. Other social aspects

3.3.1. Some members wonder whether it is possible to discern the social effects of cross-frontier television and ask whether audience figures might not offer a key. It is true that at the present time the overwhelming majority of Community citizens can only receive their own national programmes, but it is equally true that there are enough Community citizens who now have a wider range of programmes to choose from. This is especially true of television viewers in Belgium, the Netherlands and Ireland. Of considerable interest are audience figures in Belgium, a country which offers a huge choice of foreign broadcasts and has two totally different cultures. This same group of members deplores the fact that the Commission has made no attempt to buttress its conclusions with audience figures although such figures are very carefully collected in all countries of the Community.

3.3.2. An analysis of audience figures shows clearly that the vast majority of television viewers give priority to broadcasts in their own language. In 1978 only 4.5% of the French-speaking community in Belgium watched foreign-language broadcasts. Even in Flanders, where knowledge of French is more widespread than

knowledge of Dutch in the French-speaking part of Belgium, only 16.2% of viewers in 1982 watched broadcasts in languages other than Dutch, 4% watching German-language programmes, 11% French-language programmes and about 1% other foreign-language broadcasts. A similar picture emerges from Dutch figures, which show an overwhelming interest in Dutch programmes, some interest in German programmes and very little interest in French-language and English-language programmes.

3.3.3. According to this same group of members, surveys carried out in the Netherlands show that, contrary to what the Commission suggests in its Green Paper, children watch more foreign-language programmes from abroad than the average. It is therefore obvious that as the command of one's mother tongue increases one takes less and less of an interest in foreign-language programmes. Belgian figures show that, culturally, Belgium is a divided country. Very few French-speaking viewers watch Dutch-language programmes, and vice versa. The Belgian figures therefore lead to the conclusion that cultural barriers are more important than national frontiers.

3.3.4. The Belgian, Dutch and Irish figures seem to indicate that foreign programmes broadcast in the language of the television viewer can be of great interest. In Ireland, for example, 60% of those able to receive the three British television channels actually watch British television. This means that the normal Irish programme is watched by only a minority of Irish viewers. The same is true of French-speaking Belgium, where

only slightly more than 40% watch Belgian programmes, whilst in Flanders over 20% tune in to the two Dutch channels. This means that French-speaking viewers in Belgium constitute the main audience for Luxembourg television. Flanders is recognized as an important audience for Dutch television - hence the "Good evening viewers in the Netherlands and Belgium" which introduces Dutch programmes. Conversely, Belgian television is having to reckon more and more with a Dutch audience. The impact of this development on the countries in question has not yet been analyzed but should not be underestimated.

3.3.5. An examination of audience figures shows that in the case of cross-frontier television there are two entirely different situations. The first situation concerns foreign-language broadcasts. The impact of such broadcasts is small, especially since the viewing public is small. The important factor here is of course whether the foreign language is understood well, a little or not at all. Such a consideration of course hardly plays a role in the case of sports and music broadcasts. The second situation concerns foreign broadcasts in the viewer's own language. Such broadcasts are very important in quantitative terms and can have significant technical and cultural implications.

3.3.6. In the view of these members, these two wholly different situations must be taken into consideration when radio and TV policy proposals are drawn up. In particular, they believe that the Commission has dealt too summarily with the second of the two situations.

3.3.7. With regard to cross-frontier broadcasts, a distinction should be made between two types of problems:

- 1) problems related to copyright;
- 2) other practical or legal problems constituting an obstacle to cross-frontier broadcasts.

Member States should commit themselves to setting up an infrastructure that makes possible cross-frontier broadcasts throughout the Community. A moral obligation to set up such an infrastructure could be imposed on the Member States by means of a Council Recommendation.

3.3.8. In the case of cross-frontier broadcasts these same members distinguish between two situations:

- a) broadcasts in the language of the transmitting country produced for the public of that same country. The members propose that such broadcasts be authorized throughout the Community and that the legal provisions regulating them be the responsibility of the legislative powers of the transmitting country;
- b) broadcasts for transmission to another Member State in the language of the receiving country and containing advertising material intended for the public of that country. The members propose that the Member States be empowered to reject such broadcasts given that the latter have wide-reaching implications for the culture and broadcasting pattern of the

country in question. The restrictions which the Commission would like to see imposed on such broadcasts are wholly inadequate.

3.3.9. Implementation of the above proposals would make Community regulations in areas such as pornography and the right of reply redundant and would allow national legislators to draw up their own provisions, except in the cases mentioned in subparagraph b).

4. Cultural aspects

4.1. In the next few years the average television viewer in Europe will be faced with a sharp increase in the range of television broadcasts to choose from. The reason for this is the expansion of cable networks and the development of direct broadcasting by satellite.

4.2. At the present time it is extremely difficult to assess the cultural impact of this much wider choice of programmes (and particularly cross-frontier television programmes) on the individual television viewer as well as on regional, national and European communities sharing the same culture.

4.3. For most Member States this will create a new situation. However, certain other Member States - and particularly the Benelux countries - already offer a more or less extensive choice of programmes, largely because of the relaying of foreign broadcasts via cable.

4.4. The following conclusions can be drawn from specialist publications about the situation in the United States where 30% of television viewers were already linked to cable in 1982 and where satellite television has been authorized since 1982:

- In homes with cable, more television was watched between 1980 and 1982 although the audience share captured by the three major commercial networks continued to fall even further; in homes without cable, average viewing hours actually fell over the same period.
- Pay-TV networks, which show only films, have enjoyed the greatest success.
- Satellite television offers largely entertainment programmes in order to achieve high audience ratings.

4.5. There is no doubt that European society differs in many respects from American society so it cannot be automatically assumed that television in Europe will take the same path as American television once a common broadcasting market has been established.

4.6. Members consider that developments of this sort have important cultural and social implications. If mass taste is taken as the sole guideline and virtually nothing but light entertainment broadcast, then other cultural and social aspects

such as information and education could be forced to take a back seat. This, however, presupposes that national programmes standards would encourage and permit such a situation - something which in Europe at least runs counter to a long tradition of high-quality television.

4.7. The Green Paper draws attention in particular to the importance of cross-frontier television from the point of view of EEC integration policy. On the other hand the Commission deals with the possible harmful aspects in too superficial a manner. The situation clearly varies a great deal according to whether we have in mind foreign-language broadcasts, or programmes from another Community country broadcast in the national language or one of the national languages of the receiving country. The latter approach is the only way to reach large sections of the population. At the same time one of the tasks of national media legislators is to ensure that the cultural identity of the host country is sufficiently protected. This goal will be achieved not by restrictive measures as much as by the promotion of indigenous programmes.

4.8. In this connection we must remember that the Commission has set itself a clearly limited goal with the Green Paper, namely to facilitate cross-frontier broadcasting within the Community. The other question of promoting high-quality European programmes is dealt with in the Commission's Interim Report and regarded as a further important task of the Community. The Commission has also submitted a further proposal on the development and promotion of a European programme industry. This draft Regulation², whose aims are endorsed by the Sub-Committee, is currently being examined by the Section for Industry,

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COM(85) 174 final.

Commerce, Crafts and Services which has responsibility for questions of sectoral aid. The ESC intends to adopt this Opinion at the same time as it adopts its Opinion on the Green Paper on Television without Frontiers. The creation of an independent European television channel would also be beneficial for the Community.

4.9. In the view of certain members the salient features of the European media scene in the future will be (a) widely diversified broadcasting services as a result of technological developments, the requisite investments and the legislation proposed by the Commission, and (b) far-reaching commercialization, which will have culturally harmful consequences.

4.9.1. These same members would point out that in most Member States the transmission of television programmes is still the preserve of public broadcasting services which are financed in some cases exclusively from radio and television licence fees and are therefore in a more or less de facto monopoly situation. Attempts are made to justify such monopolies by claiming that the public is being culturally "emancipated" through the provision of programmes containing information, education, enlightenment and entertainment.

4.9.2. In the future there will be more and more commercial or mixed broadcasting companies financed through advertising and with one sole ambition, viz. to capture a market by competing relentlessly for the favour, limited budget and time of the television viewer.

4.9.3. Competition, particularly commercial competition, in a European market of 300 million television consumers will be something new for the Community : the direct link between expenditure and advertising revenue with each individual broadcast will alter not only programming but also the types of broadcasts released.

4.9.4. This group of members likewise considers that European society clearly differs in many respects from American society. It takes the view, however, that television in the EC will move in the same direction as television in the United States should the Community opt for a full opening-up of the broadcasting market and for the liberalization of programme and quality standards.

4.9.5. Such developments would, however, be extremely questionable from a cultural and social point of view. If the sole aim of broadcasting is to make a profit by pandering to the wishes of the masses and producing and sending out nothing but light-entertainment programmes, then other cultural and social aspects, e.g. the presentation of informative and educational programmes, would be pushed into the background out of commercial considerations.

4.9.6. The extension of broadcasting is not a neutral act, not solely a question of offering the television consumer a greater number of broadcasts so that he can be highly selective and choose a varied, balanced television diet.

4.9.7. Experiences in America and the Benelux countries have shown that once the language barriers have been overcome, the only profitable type of programme in a market opened up to competition will be light entertainment. In other words the masses can only be won over to this type of programme, and only then is it possible to finance programmes with money from advertising.

4.9.8. Existing public broadcasting corporations (which are legally required to offer varied programmes) and new initiatives aimed at a specific audience (narrowcasting) will have a very difficult time if the television consumer acts in the way described above. These same members therefore wonder whether the varied, wider choice of programmes made possible by the expansion of cable and satellite television will not in fact prove to be an illusion, with information, education and the less popular specialized interests of our culture in particular being driven into a corner.

4.9.9. These same members wonder whether in the long run - and despite all technological progress - this may not result in television, our most popular medium, losing its importance as a vehicle for the dissemination of objective information accessible to everyone, as an instrument of continuing education, and as a link between all currents of society, including the so-called minority and marginal groups.

4.9.10. Economic constraints have a clear impact on freedom of opinion and cultural pluralism.

4.9.11. These members appreciate that it is clearly advantageous from the point of view of European integration if all European broadcasts can be received throughout the Community but fear that when this happens the public will primarily tune into light entertainment programmes, and particularly American films.

4.9.12. At the same time they believe that another point worth considering in the context of a large-scale expansion of cable and satellite television is whether any thought at all has been given to the fact that (a) the television viewer can and wants to make only a limited financial contribution (not only in the form of TV and radio licences but also by way of cable connection charges, subscription fees to pay-TV stations and pay-per-view schemes) and that (b) his television viewing time is also limited.

4.9.13. These same members doubt whether it is culturally desirable to increase the length of time European television viewers spend watching television so that, for example, the French television viewer who now spends an average of 2.5 hours per day watching television catches up on his American counterpart who already spends 6.5 hours per day in front of the TV screen; they are therefore disturbed at the idea of television-viewing becoming an increasingly important leisure activity for Europe's citizens. These members believe that the television consumer must at the very least be given the chance of a genuine choice of subscription, with a graduated scale of fees.

4.10. Cross-frontier television undoubtedly provides an opportunity to help create a "European consciousness". From the point of view of European integration, it gives the European citizen who can hear and see radio and television broadcasts in his own language whilst living in another Member State the feeling that he belongs to the Community.

4.10.1. Nevertheless the advantages which the Green Paper believes can be reaped from access to the programmes of other Member States must, on account of the language barriers referred to in point 2.2. of the Report, not be overestimated.

4.10.2. Moreover, when cross-frontier broadcasting becomes a reality, steps will have to be taken to ensure that the cultural identity of each individual Member State is preserved; this is a task for national legislation.

4.10.3. For all these reasons the Sub-Committee endorses the European Parliament's Resolution of 12 March 1982 calling for the creation of a multilingual European television channel.

4.11. To safeguard freedom of opinion and guarantee access to diversified information, public corporations and - where allowed - independent or commercial broadcasting companies must be endowed with the means best suited to the fulfilment of their respective functions. In providing funds the conditions of operation of the various broadcasting organizations should be taken into consideration and the Member States concerned should take steps to ensure that the public and commercial sectors of broadcasting complement each other in a harmonious way.

4.11.1. With the same aim in mind we should not overlook but in fact encourage the experiences of local and regional television stations. Insofar as these services reflect a wide range of opinions, they help to bring the media into closer touch with their users and at the same time consolidate the contribution of citizens to the life of the local community.

4.12. If these guarantees are not met, the Sub-Committee is afraid that television, which is today our most popular medium, will no longer be able to fulfil its function as a vehicle (financially accessible to the whole Community) for the dissemination of pluralistic and objective information, as an instrument for continuing education, and as a link between the various currents of society (including political, philosophical, religious and ethnic minorities).

5. Topics raised in connection with Part VI of the Green Paper

5.1. National regulatory control of programmes content, be it in the form of statutory provisions or enshrined in a code of practice, will remain unchanged in law. Thus, quality requirements imposed on productions within an individual Member State will remain the reflection of that country's social-policy goals and unique system of public order.

5.2. Some members on the other hand believe that it is imperative from a cultural point of view that the Community lays down provisions on programme content and prescribes minimum quotas for Member State or European productions.

5.3. The reality of cross-frontier radio and television broadcasts nevertheless requires EEC legislation, incorporating a basic minimum of common measures, to remove the legal barriers which in practice impede cross-frontier broadcasting, and to create comparable terms of competition in a common broadcasting market.

5.4. In the field of public policy the Community should introduce regulations to harmonize the necessary minimum provisions in the interest of :

- protecting minors in particular against pornography and the representation of inhuman violence and the glorification of armed conflict;
- protecting individuals against misrepresentation (right of reply).

5.5. Contractual systems should be given absolute priority as a way of protecting copyright. A question of particular relevance here is whether broadcasting organizations should also have cable re-transmission rights in the Member States of the Community to enable them to conduct contractual negotiations with the cable companies on that basis. Such a solution would save cable companies the trouble of having to negotiate themselves with a large number of collecting societies. Should it prove impossible to reach contractual agreements with broadcasting organizations and, where necessary, collecting societies in all Member States, then there would be no alternative but to resort to statutory licensing.

5.5.1. Some members believe that statutory licensing must be brought in right from the start since contractual agreements can only be reached, if at all, after many years have lapsed.

5.6. If there is to be a Community solution to the complex question of broadcast advertisements, then a balance will have to be struck between the interests of broadcasting organizations (financing, programme quality, cultural content of programme), consumers and viewers (information to be as precise as possible, diversity of broadcasts, low-cost programmes), the advertising industry (unrestricted use of all media according to their specific features) and the other advertising media (adequate share of income from advertising).

5.6.1. The Sub-Committee fully supports the Commission's proposal that broadcast advertising be harmonized through EEC Directives.

5.6.2. Minimum Community provisions are necessary in order to :

- separate advertisements from other programme material and ban advertisements that interrupt the natural flow of a programme;

Some members consider that a programme should only be interrupted once; others feel that interruptions should only be allowed in the case of light entertainment programmes.

- limit sponsoring to ensure that broadcasting can fulfil its social function as a medium providing information, education and entertainment;
- establish special rules of conduct to protect children and young people against abuse and deception;
- ban advertising for cigarettes and limit advertising for alcoholic beverages.

Some members are in favour of a general advertising ban on drugs (for humans and animals).

5.6.3. As far as the possibility of limiting advertising time is concerned the Sub-Committee believes that there is still no clear case at the present time for regulating the problem along the lines advocated by the Commission.

5.6.3.1. In the first place broadcasting organizations need to practise voluntary restraint in order to ensure that viewers' tolerance levels are not exceeded; too much advertising automatically triggers off a negative reaction on the part of the responsible television consumer.

5.6.3.2. Secondly, some individual Member States already apply statutory restrictions, or at any rate operate nationally supervised codes of conduct incorporating standards which guarantee a balance between programmes and advertising.

5.6.3.3. Should the Commission propose a ceiling on average daily advertising time, the Committee reserves the right to express its final views when consulted on actual draft Directives. In doing so the Committee will take into account the need to avoid discrimination between public and commercial broadcasting organizations. Public broadcasting organizations will have to come to terms with the fact that even if they earn some revenue from advertising their finances stem largely from licence fees, which is not the case with commercial broadcasting companies.

Some members, on the other hand, favour equal access to advertising revenue for both public and commercial broadcasters.

5.7. Member States should be obliged to ensure that restrictive regulations covering first-hand broadcasts are respected. This should be done, in particular, through recourse to existing, or to the creation of new, self-regulatory bodies. "Prior censorship" in cross-frontier programme transmissions would also be a violation of basic rights from the Community's point of view.
