

WELSH ASSEMBLY GOVERNMENT RESPONSE TO FREE-TO-AIR EVENTS REVIEW CONSULTATION

The Welsh Assembly Government welcomes this review. The last review was held over a decade ago and in the intervening period the broadcasting landscape has changed substantially along with the way people watch sporting events. This review of course coincides with the publication of the *Digital Britain* report which of course has significant implications for public service broadcasting including in Wales.

The Welsh Assembly Government was grateful for the opportunity during the consultation to meet Panel Members including the Chair. We also welcomed the decision to hold a stakeholder event in Cardiff on 2 June where an opportunity was provided to hear the views of various interested parties. In addition, a Plenary debate on this issue was held in the National Assembly for Wales on 16 June [<http://www.assemblywales.org/bus-home/bus-chamber/bus-chamber-third-assembly-rop.htm?act=dis&id=133274&ds=7/2009>]. This response has been informed by comments made on each of those occasions.

Since the last review, there has been a substantial increase in the number of sporting events of high public interest that are available on pay television. Although there has been an increase in the number of households with satellite television in Wales, those subscribing to sports packages are in the minority. We believe that it is vitally important that the majority of the population should be able to watch the most notable national sporting events and this can be a key factor in ensuring the longer term recruitment to and participation in certain sports. We also recognise that the benefits of securing the maximum exposure need to be set against the financial resources that can accrue to certain sports from being able to negotiate exclusive pay television contracts. Those resources are in principle available to invest in sports development. We appreciate that this is a complex matter for the review panel and for sports governing bodies to balance.

The panel will obviously need to consider the impact of listing specific events on reducing the potential income for certain sports, and the financial consequences of that reduction for the sport in the short term. Although the benefits are not always easy to quantify we should not underestimate the benefits derived from major sporting occasions being available free to air for the widest possible number of people. Sporting bodies need to aim for long term sustainability and should always keep in the balance whether short term financial gains outweigh the longer term impact of only being seen by a minority of the population. The past 10 years have generated important new evidence as to where the balance should be struck between these conflicting considerations.

When considering the events included in the various groups which represent the interests of viewers throughout the United Kingdom it is evident that there is no event currently in Group A which reflects the specific interests of viewers in Wales. Of course, viewers in Wales have an interest in events currently included in Group A. However, the Welsh Assembly Government is also anxious to ensure that the list represents the interests of viewers in Wales even if that interest is not shared right across the UK. We note in this context that that the final of the Scottish FA Cup is included in Group A. This has caused us to consider whether there are events that represent the specific interests of viewers in Wales that should be added to this list.

The Welsh Assembly Government believes that the average Welsh viewer would wish the Panel to consider moving the Six Nations Rugby Union tournament from Group B to Group A ensuring that the matches were available on free to air television. This standpoint was also endorsed by Assembly Members of all political parties when this matter was discussed in the National Assembly for Wales on 16 June.

Six Nations Games are currently broadcast live free to air on terrestrial television. However under the current agreement there is nothing to stop the live broadcast moving to pay television. In fact, this is what happened some years ago with the England's home matches and there was nothing Welsh viewers could do when England were playing Wales in Twickenham although Wales playing England at the Millennium Stadium was free to air. We do not believe that this sort of single country deal is in the interests of viewers more generally and it is certainly not in the interests of viewers in Wales given that in commercial terms the Welsh viewing market is always likely to be seen as less attractive than that for larger nations. Restricting Wales' six nations matches to pay television services would as things currently stand prevent the majority of the population from watching the matches. Such a move would be likely to have a disproportionate impact on elderly viewers and on young people who are critical to the future health of the sport. The Six Nations tournament should be seen as belonging to all of the nations taking part and not a tournament where the larger countries can secure a commercial advantage that is not shared in an equitable manner across each of those countries. In a Welsh context the competition that has a powerful ability to unite the nation and we believe that this should be reflected in it being placed in Group A. This would not have any practical effect at the present because England's home games have reverted to free to air but there is no guarantee of that continuing. It is that absence of a guarantee that causes the value of the live broadcasting rights to be higher than if it was listed on the A list and therefore, totally unavailable to a bid from subscription channels.

The understandable views of some sporting bodies, including the Welsh Rugby Union, that unless listing specific events, for example the Six Nations Tournament, would result in those sporting bodies receiving less

funding for the broadcasting rights. That, in their view, would have far-reaching implications for their stimulation of sports at grass-roots levels.

While appreciating that perspective and in particular the possible diminution of the value of sports rights, this needs to be weighed in the balance against the longer term benefits which each of the six rugby unions gain from being part of a tournament which is such a visible, prominent and talked about element of our national sporting calendar.

Turning to other sporting events, the Welsh football team's qualifying matches have only been available on satellite television during the last few years. The view has been expressed by some that the exclusive availability of these matches on satellite television has been a factor in the decreasing number of spectators attending Welsh football matches. We note in this context that the Republic of Ireland's preliminary home and away matches have been listed and are therefore guaranteed available on terrestrial television. It would be very unfortunate if the majority of the Welsh population would not be able to watch a vital World Cup qualifier. However the Welsh Assembly Government does not believe that it would be equitable to single out the Welsh FA in a manner which did not apply equally to the other home unions. Football is a sport which has already changed significantly as a result of pay television and we would invite the panel to consider whether there is a case for all FIFA World Cup qualifying games to join the World Cup itself in Group A to the benefit of spectators throughout the UK.

We note that there is a lack of gender balance in the current list and this was raised in the Plenary debate in the Assembly on 16 June.

We welcome the fact that the Review also considered non-sporting events and note with interest the variety of cultural events listed in other countries. In Wales, major cultural events such as the National Eisteddfod and the Urdd Eisteddfod, the Llangollen International Eisteddfod as well as the Royal Welsh Show are broadcast on terrestrial television. However, it is possible under the current arrangements for these events to be only available on satellite television.

These major cultural events receive significant amounts of funding from the Welsh Assembly Government. There is an expectation in Wales that these events are available on terrestrial television. Broadcasting these events only on satellite television would certainly be an unpopular development. The Panel may wish to consider whether it would be appropriate to determine as part of its advice that that events of this nature which receive significant amounts of public funding should not enter into broadcasting contracts whereby they would not be available to the majority of the population.

We therefore welcome the review undertaken by DCMS and look forward to seeing the Panel's recommendations and in particular the implications for Wales.