

MEMORANDUM TO CABINET BY THE
HONOURABLE THE PRIME MINISTER

WIRELESS BROADCASTING

It is the policy of the Government to have its own Radio Station.

2. Following the Cabinet decisions of the 30th March and 4th April, 1965, informal discussions taken up with the General Manager of Malta Television Service Ltd., have brought out the following facts:

- (a) The Company would be interested in acting as operators for "Radio Malta" on behalf of the Government;
- (b) MTV would be preoccupied if a Government owned and operated "Malta Radio" were to engage in advertising to local audiences thus impinging on MTV's revenue; broadcasts from such a Radio receivable locally would cause concern in any event as they would lessen audiences and thus advertising potential on MTV's own Radio set-up.

3. The existing agreement between the Broadcasting Authority and MTV grants an exclusive right to the Company to operate a Wireless Station in Malta until the 27th September, 1971 with a right and obligation to start operating before the 27th September 1966, which, if not honoured, would determine the agreement ipso jure.

4. Test transmissions commenced in 1964 and MTV sought authority to start operating as from the 1st October, 1964 and from various dates thereafter, but the introduction of regular programmed broadcasting has been delayed in conformity with the wishes of the Government unofficially expressed.

5. In the light of the foregoing, it is considered that the Company has taken up the option to operate the Wireless Station and honoured its obligation to do so by the 27th September 1966 since the limitation of broadcasting to date to test transmissions is due to circumstances beyond the control of both the Broadcasting Authority and MTV who are the parties to the Agreement. It would consequently be unfair and possibly illegal if advantage be taken of the present position and the Company charged with having waived their option to operate the Station before the 27th September, 1966.

6. Hon. Members are asked to consider whether Malta Television Service Ltd., should be allowed to proceed with its plans of inaugurating wireless transmission in Malta subject to the repeal of the existing agreement it has with

the Broadcasting/.....

the Broadcasting Authority and the drawing up of a new one with the Government on the broad lines set forth in the attached schedule.

7. The more contentious of the changes proposed are expected to be:

Item 16: which would give Government the right to negotiate the licensing of other Television Broadcasting Stations in Malta at any time after the signing of the proposed Wireless agreement.

Item 2: which will curtail MTV activities in this field from September 1986 to September 1971 although a new agreement could be negotiated in 1971.

Item 5: which will enable Government, if it so wishes, to obtain a shareholding in the Company; this, in time and if a new agreement on the same lines were to be entered into in 1971, could lead up to the Government holding a majority interest in the enterprise.

6th September, 1966.

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7. Prescription of Programmes

Prescribed programmes paid for at rates determined by the MTV and representing normal charges for programmes.

8. Payments to MTV

At the discretion of the Broadcasting Authority, after consulting MTV

9. Charges for Specified Announcements.

MTV is bound to broadcast announcements authorised by Governor-General. No charge is specified.

10. Exemption from Customs Duty.

MTV has right to import equipment and materials duty free.

11. Penalties for Breaches of terms of Agreement

(i) Maximum of £250 on first occasion;
(ii) Maximum of £500 on second occasion;
(iii) Maximum of £1000 on subsequent occasions;
(iv) determination or suspension of Agreement with the Authority by Governor-General but only after minimum of 3 breaches within any period of five years.

(e) station to be opened to inspection to authorised Government officials;
(f) books of account to be open to examination to authorised officials;
(g) laws and regulations to be all time observed.

Prescribed programmes to be paid for at rates to be agreed.

- To be deleted -

MTV to broadcast any announcement at the request of the Government, free of any charge.

Concession to be withdrawn.

In respect of all conditions:
(i) £250 on first occasion;
(ii) £500 on second occasion;
(iii) £1000 on third occasion;
(iv) determination or suspension of Agreement at any time by the Government for any wilful and material breach of the terms and conditions of Agreement.

12. Directions to MTV

To be signed by the Chairman and the Chief Executive of the Broadcasting Authority.

To be signed on behalf of the Government by the Administrative Secretary (or by the Director of Information).

13. Programme Hours

Minimum of 6 programme hours a day arranged over each week.

No changes.

14. Programme Control

No requirements.

Proper proportion of programmes to be of Maltese origin and a reasonable part thereof to be in the Maltese language.

15. Advertisements

Maximum of 8 minutes per programme hour averaged over each week.

No changes.

16. Other exclusive rights held by the Company.

For a period of 25 years from 1961 in the Television Broadcasting field (under separate agreement with the Broadcasting Authority).

The proposed Wireless Agreement would provide for the surrender by MTV of this right to exclusivity.