

MEMORANDUM TO CABINET  
BY THE PRIME MINISTER

BROADCASTING

An appraisal of the Broadcasting situation brings out the following salient points:-

- (A) Studios and a transmitting station will be donated to the Government by Deutsche Welle once certain difficulties, particularly frequencies, are resolved;
- (B) A considerable interest has been shown in the operation of wireless overseas broadcasting - mostly commercial - from Malta and a number of applications await consideration;
- (C) a local Wireless Sound Broadcasting Service is being held back from commencing programmed operations pending a revision of the relative agreement between the Broadcasting Authority and Malta Television Services Ltd;
- (D) a local Television Service has been operating for some years but a revision of the relative agreement is intended;
- (E) a local Wired Sound Broadcasting Service has been in operation for decades. The Agreement on it is also intended for revision.

A: Government-owned Studio and Transmitting Station

It would be relevant to consider first the possible use the studios/station which will be donated by Deutsche Welle could be put to since the decision thereon will have a direct bearing on the other points calling for consideration.

/Basically.....

Basically these facilities could be used either for local or for overseas reception but the strength and proposed location of the transmitting station indicate that they are intended for overseas broadcasting.

Independently of the fact that local wireless broadcasting would be highly expensive unless it is run on a commercial basis and that, in any case, the existence of (C) cannot be ruled out outright, the operation of a local wireless sound service by the Government itself would not be a particularly fitting proposition in view of the provisions of the Constitution.

Consequently, it can be assumed that the studio/station which Government will be obtaining from Deutsche Welle will be used primarily for overseas broadcasting.

The options seem to be, either:-

- (a) a non-commercial Government-owned and operated overseas service on the lines of Deutsche Welle, the B.B.C. Overseas Service, Radio Moscow, Radio Cairo and the Voice of America;
- (b) a commercial overseas broadcasting service on the lines of Radio Luxembourg, Andorra and Monte Carlo run by a contractor to whom the broadcasting facilities would be leased by the Government.

The purposes of a national overseas broadcasting service as at (a) would be:-

- (i) to foster common interests between the transmitting and receiving countries;
- (ii) to project our way of life, thought and achievements over a range of subjects;

/(iii).....

- (iii) to give a swift and accurate overseas news service supplemented by reviews, commentaries etc;
- (iv) to give our point of view on current events.

Considering that national broadcasting is run by the "big nations", that operation and programming would be a costly undertaking, that activities in this field are fraught with political implications and that it would be difficult to fill any substantial part of the available daily broadcasting hours, the operation of a National Overseas Broadcasting Service on an exclusive basis would not seem to be indicated.

The operation of the Studios/Transmitting Station for commercial overseas broadcasting - as at (b) - would not present the same financial and political difficulties but it is not devoid of somewhat contentious aspects.

The profitable operation of an overseas commercial station has to be attained through the sale of advertising time. In this line of activity, Malta has certain basic advantages. For instance, its closeness to Italy, where the limited advertising on sound and T.V. does not meet the demand, opens up possibilities to a local station to exploit an unsatisfied market. Also a promotion sales campaign towards the fast developing area of North Africa with a growing demand for imported goods could be affected through a local station.

One difficulty which may be encountered could originate from the countries to which broadcasting (and advertising) would be beamed. These may argue that such broadcasting services impinge on their sovereignty and on their own broadcasting services thus bringing about a loss of advertising revenues by their own state and private organisations. On the other hand it

is undeniable that broadcasts from various countries are received in Malta (although they are not directed at Malta), that a number of small European Countries are exploiting this medium to their own advantage (e.g. Andorra, Monte Carlo, Luxembourg), and that their activities do not seem to have generated any amount of international friction - political, commercial or otherwise.

The benefits which would be derived from the operation of such a station would be:

- (a) revenues would accrue to Government from rents, fees, duties and taxes;
- (b) opportunities for the employment of Maltese in technical, clerical and other posts would be created;
- (c) means for the dissemination of Maltese affairs would be provided by way of availability of daily free air-time;
- (d) Maltese industry and tourism would be promoted abroad, cheaply and most effectively;
- (e) in so far as the advertising revenue will primarily be derived from abroad, the service would constitute an invisible export.

Broadcasts from the station would of course be receivable by Maltese listeners.

B: Outstanding applications for overseas wireless sound commercial broadcasting.

If the Deutsche Welle donated studio/station were to be used for overseas wireless sound broadcasting - (as outlined above) - a number of enquiries which have been received for setting up of such stations in Malta, as listed in Appendix A hereto, would be turned down as soon as the Deutsche Welle proposal actually materializes.

C: Local Wireless Sound Broadcasting

If the proposal at A is found to be acceptable then the negotiations on the revision of the MTV-Broadcasting Authority agreement can be proceeded with on the lines previously approved by Cabinet. (Vide Appendix B).

D: Local Television Broadcasting ServiceE: Local Wired Sound Broadcasting Service

The desired amendments of the two Agreements covering these two services would remain those set out in Appendix B.

Ministers may wish to consider whether:-

- (i) the future of Broadcasting should be the subject of a comprehensive study by a small committee, possibly representative, inter alia, of the Broadcasting Authority, the Government and the Opposition; (in this connection the letter at Appendix C is indicative of the Opposition's interest in the subject)

or

- (ii) they agree in principle to the following suggestions:-
  - (a) the studios/station being donated by Deutsche Welle be used for overseas commercial broadcasting;
  - (b) the proposals received from various persons and organisations for the setting up of overseas broadcasting stations be turned down as soon as the proposal at (a) is actually implemented;
  - (c) negotiations on the three Agreements be proceeded with on the lines previously approved by Cabinet.

APPENDIX A

Enquiries received for the setting up of  
Overseas Wireless Sound Broadcasting Stations in Malta

L-ARKIVJI NAZZJONALI TA' MALTA

For Commercial Purposes i.e. sale of advertising time

C. Kukan	146/66
Inconfinanz, Switzerland	817/69
B. Wijsmuller	179/68
J. Ward	269/68
Radio-270	1003/67
R. Anderson	1299/68
L. De Caro	900/68
H. Hoseason Brown	1667/67
Interservice Facilities Ltd	129/69
Continental Broadcasts	20/66
H.D. Fuehse	52/68
Capital City Broadcast	1630/67
Thomson Organisation	1002/66

For Religious Purposes i.e. propagation of the Gospel

International Evangelical Church	49/70
World Mission Radio	38/70
Trans World Radio	866/67

APPENDIX B

Proposed Revision of Agreements between  
Broadcasting Authority and Malta Television  
Services Ltd and Rediffusion (Malta) Ltd

L-ARKIVJI NAZZJONALI TA' MALTA

The intention is for the Government to conclude new agreements on all the three services, namely Television, Wired Sound and Wireless Sound Broadcasting, between the Government on one hand and Malta Television Services Ltd. and Rediffusion (Malta) Ltd. on the other, but provision would be made for the assignment of the new agreements to the Authority.

The main changes envisaged by the Government and which will be proposed to the contractors are:-

- (a) the grantees would undertake to place a percentage of the share capital on sale at a fair market price to Maltese participants;
- (b) the duration of the current agreements would be shortened;
- (c) the grantees would not enjoy exclusive rights;
- (d) the grantor would be paid an annual fee made up of a fixed annual sum and a percentage of the profits derived from the companies' broadcasting operations;
- (e) a minimum fee of £35,000 would be payable by the grantor on all three services combined;
- (f) a limited amount of airtime would be made available free of charge to the grantor.

As the agreements would be assigned to the Authority, only the authority would have the power to prescribe programmes, but arrangements would be made between the Government and the Authority under which the Authority would prescribe programmes submitted by the Government provided they were not objectionable in terms of the law.

APPENDIX C

Olives  
Tarxien,  
Malta.

March 23, 1970.

The Hon. Dr. Giorgio Borg Olivier,  
Prime Minister of Malta,  
Anberge d'Aragon,  
Valletta.

Dear Dr Borg Olivier,

It has been conveyed to me - erroneously,  
I hope - that the Official Secretary has authorised  
the Broadcasting Authority to extend the experimental  
period for Radio Malta by six months and to signify  
concurrence with the plans of Rediffusion (Malta)  
Limited to offer their shares for purchase by  
Maltese citizens.

Both these moves would go counter to what  
we have recently successfully achieved in this field.  
Unless, therefore, you wish us to fade away from the  
scene, I suggest we should get together in order to  
discuss the next move.

With regard to the imminent termination of  
the period now being served by the Chairman and  
members of the Broadcasting Authority, there is a  
suggestion which I would like to submit as soon as it  
is convenient for you to meet me.

Yours sincerely,

(sd) Dom Mintoff.