



## **The Broadcasting Corporation of The Bahamas**

**Radio Bahamas ZNS-1 1540 AM – ZNS-2 1240 AM  
ZNS-3 810 AM – Power 104.5 FM – ZNS Channel 13**

### **THE BROADCASTING CORPORATION OF THE BAHAMAS’**

**Response to URCA’s Consultation Document  
ECS 29/2010**

**Review**

**of**

**PUBLIC SERVICE BROADCASTING**

**25 February 2011**

## **Introduction**

The Broadcasting Corporation of The Bahamas (BCB) welcomes the opportunity to participate in URCA's Review of Public Service Broadcasting, as part of the process to transition the Corporation into a Public Service Broadcaster.

We are of the view that the advent of public service broadcasting (PSB) brings the Corporation full circle from its early days in 1937 when ZNS was formed to meet a public service need. We wish to commend the Government of the day and the regulator for the progress made thus far and look forward in the near future to the fruition of the vision to enhance radio and television programming for the betterment of Bahamian audiences.

The relatively recent introduction of private broadcasting in The Bahamas in 1993 has already paid dividends for the general public in terms of the diverse range of local radio and television programming available to the public and it has further expanded the opportunities for Bahamians interested in broadcasting careers. In New Providence alone there are 13 private, independent radio stations excluding ZNS.

This liberalization of the broadcasting sector has highlighted the urgent need for BCB to adjust its modus operandi in keeping with the new broadcast environment. We believe that PSB is the ideal niche for the Corporation to fill, given our long standing public service and national broadcasting thrust coupled with our singular ability to provide radio coverage to the entire Bahamas.

As a major player in the broadcast arena we are cognizant of the fact that the liberalization of the broadcast sector is a new experience in The Bahamas. It is therefore critical for both the regulator and those regulated to be able to have open and honest dialogue in furtherance of the objective to provide a wide range of quality programming for the public.

The exchange of ideas with stakeholders - the regulator, broadcasters, and the public - is a necessary and important component as we move forward. We therefore offer our comments and respond to URCA's Consultation Document ECS29/2010 on public service broadcasting with this as a backdrop.

While the Corporation supports many of the concepts advanced for public service broadcasting by URCA - particularly governance of the corporation moving from a state-owned to an independent broadcaster; the remit for enhanced programme mix on ZNS radio and television and the need for adequate levels of public funding

supported by ads and sponsorship contributions from corporate Bahamas - this in no way infers that we do not have concerns.

## **BCB Responses to Consultation Questions**

### **Chapter 2**

#### **Consultation Question 1**

*Do you agree that URCA's definition of PSB – focusing on local content with cultural, social, political and educational value – provides a reasonable description of the desired role of public service broadcasting in The Bahamas? Are there any components of PSB that you would seek to add (or remove)?*

We agree that URCA's definition of PSB focusing on local content with cultural, social, political and educational value provides a reasonable description of the desired role of a PSB. Further that the PSB should set the bar for programming that demonstrates concern for our national identity and community, however, we are also conscious of the need to expose citizens to quality programming from around the globe.

We believe that URCA's definition is limiting and should include a component that speaks to the promotion of a "diversity of views" on the PSB airwaves. The PSB should provide its audience access to a wide range of opinions in furtherance of ensuring a vital space for free expression and open debate in a developing society.

### **Chapter 3**

#### **Consultation Question 2**

*Does the overview of PSB provision presented in Chapter 2 represent an accurate view of local output in The Bahamas?*

URCA's overview of PSB appears accurate for 2009. We do wish to point out that in 2010 local programming on ZNS 1, went to 100% Bahamian music content and we have subsequently also increased local content on television.

#### **Consultation Question 3**

*Do you agree that it is too soon to focus in any detail on the use of public service digital media (internet, mobile, etc.) in The Bahamas, given how little content is currently available?*

We agree that usage of digital media lags behind the traditional media. However we believe in early preparation. Now may be the time to, at the very least, lay the ground rules for digital media so that all broadcasters and the public would be aware of the parameters in which broadcasters can operate if they so choose to do so.

We are of the view that with the imminent sale of the Bahamas Telecommunications Company (BTC) and the liberalization of the telecommunication sector media outlets will be looking for ways to take advantage of the internet and mobile devices to distribute content. We therefore do not believe that the fact that today there is insignificant content on digital media is any indication of what tomorrow will bring. We believe it is better to prepare today for the digital future of tomorrow.

## **Chapter 4**

### **Consultation Question 4**

*Do you agree that an audience measurement system would provide benefits to Bahamian broadcasters and audiences? What are the advantages, and logistical challenges, of doing this?*

We agree that an audience measurement system would provide benefits to broadcasters and audiences but only if such a system is impartial, independent and the entity executing the system has no perceived interest in the outcome. Such an independent system conducted by a reputable firm could potentially provide broadcasters, advertisers and audiences with valuable information on the types of programmes people are interested in and provide objective data against which advertising can be sold.

One of the logistical challenges may be the cost of producing an audience measurement system due to the fact that representative measurements will have to be garnered in New Providence and several Family Islands. This may increase the funding component for broadcasters. One way to perhaps control expenditure might be to limit the number of audience measurements perhaps to annually initially.

### **Consultation Question 5**

*Do you have any comments on URCA's analysis (in Section 4.1) of the levels of TV and radio consumption in The Bahamas?*

URCA's analysis of the TV and radio consumption patterns is in keeping with the Corporation's general understanding of listening and viewing habits. It provides evidence that a significant percentage of Bahamians watch overseas channels (83%). However it also indicates that ZNS' evening news between 7 p.m. and 7:30 p.m. draws very high audiences, three quarters of the population tunes in (75%).

One surprise however is the significant drop off in radio listening levels in the evening as well as the finding that Bahamians listen to radio only 1.2 hours per day. There is obviously a need, if these figures hold true, to review our radio programming offerings in the evenings.

### **Consultation Question 6**

***Do you have any comments on URCA's research findings on overall satisfaction levels with Bahamian content?***

We are not surprised with the wide range of TV viewing among Bahamian audiences. While two-thirds of respondents were satisfied with the programming on ZNS TV there is obviously a need to produce more local television programmes that will appeal to our audiences. We recognize that news represents a central part of ZNS' programming and our most significant programme and we were pleased that this was borne out by the strong audience satisfaction with this programme.

We are concerned with the weak showing with respect to ZNS news production values and we are currently taking steps to enhance the production value of all our television programmes by upgrading from an analog system to a digital television format.

### **Consultation Question 7**

***Do you have any comments on URCA's research findings (in Section 4.2) regarding the importance of television and radio for the provision of Bahamian news?***

News is the one source of information Bahamians from Grand Bahama in the north to Inagua in the south have relied upon for information of what is happening in the country. We are of the view that the archipelagic nature of the Bahamas has increased the role of news as a means of uniting a people. ZNS news came on at a certain time each day and the entire nation paused to tune in. In today's digital world broadcasters are going to have to adjust in some ways and provide news and information on demand on the internet or other media devices.

### **Consultation Question 8**

***Do you have any comments on URCA's research findings (in Section 4.2) regarding the kinds of TV and radio programmes that provide social value? Do you agree with the wide range of programme genres that people regard as being important?***

We agree that more can and should be done to increase the diversity of local programmes on ZNS TV. While ZNS has increased its local programme content recently, we are far from being in a position to commission the making of a quality made for TV Bahamian action series. This is a question of funding and assets. We can, however, and will seek to provide television programmes that are more appealing to a wider variety of audiences.

In particular programming attractive to a younger audience along with more engaging and appealing offerings for adults are areas that require a great deal more attention.

### **Consultation Question 9**

*Do you have any comments on URCA's research findings (in Section 4.2) regarding the editorial values and independence from the government of ZNS?*

We note that according to URCA's research 50% of those polled are of the view that ZNS has too little independence compared with 7% who say ZNS has too much independence. Regardless of what the reality is this is a telling statistic.

It is important to note here that an expert committee appointed to guide the transformation of the College of The Bahamas into a university had this to say about political independence:

*“The proper exercise of academic freedom ...can only occur in an environment of institutional autonomy that is designed to protect the independence of the institution from partisan influence and the uncertainties of political change.”*

In addressing your question we can easily substitute the words “editorial values and independence from the Government” for “academic”. Detachment from government control is the most important principle to advance the BCB's transformation. Content, funding, staffing and everything else flow from this singular principle.

### **Consultation Question 10**

*Do you have any comments on URCA's research findings (in Section 4.2) regarding the availability of ZNS TV and radio throughout The Bahamas, and the desirability of Bahamian programming being offered by broadcasters other than just ZNS?*

We agree that all citizens have a right to equal access to enjoy public service broadcasting and we note the almost 100% agreement that both ZNS radio and television services should be accessible to all citizens. While ZNS 1540AM radio is universally available throughout The Bahamas, geography and costs have limited access to ZNS TV. ZNS TV is currently available via Cable Bahamas system to most islands. However, reception of TV transmission of ZNS TV-13 signal off air is available to only New Providence audiences. Universal access is unlikely in the short term due to exorbitant costs. As new technologies emerge this may become possible in the future.

## **Chapter 5**

### **Consultation Question 11**

***Do you agree with URCA's conclusions about the gaps in PSB provision on television? If not, where do you think the most significant gaps are?***

While we agree that the areas listed as News/Current Affairs and Business and Finance are roughly in equilibrium, we are surprised that Drama/ Soaps category is also listed as being satisfactory. We would have thought that audience demand for Drama and Soaps would have been higher.

We concur with the findings that documentaries on life in the Bahamas, Art, Culture and History are undersupplied along with Education, Health, Well being, Nature and Science and Bahamian Children's programmes, but we are surprised that entertainment and comedy are rated as being oversupplied on Bahamian television. We are also not surprised that religious programmes are rated as being over supplied, potentially even excessive.

### **Consultation Question 12**

***Do you agree with URCA's conclusions about the gaps in PSB on radio? If not, where do you think the most significant gaps are?***

We agree for the most part with URCA's conclusions about the gaps in PSB on radio and the need for ZNS to offer a more diverse and varied schedule to compensate for a lack of radio station choices in the Family Islands.

### **Consultation Question 13**

***Do you agree with URCA's recommendations about the programme attributes that ZNS and other Bahamian broadcasters should strive to deliver?***

We concur with URCA's programme attributes with respect to Quality, News Journalism, Diversity, Physical Picture Quality and only wish to note that a new business plan is currently being finalized which will, among other things, address the issues noted above. The Corporation currently has approval to move ahead with the upgrade of its television facilities to a digital format and will simultaneously enhance production values and the look of the television station.

## **Chapter 6**

### **Consultation Question 14**

*Do you agree with the principles that make up URCA's proposed PSB remit for ZNS? For television, do you agree that ZNS should offer a wider genre mix alongside news? For radio, do you agree that ZNS should focus its resources on a single high quality service covering the whole of The Bahamas, while avoiding duplicating the services provided by private radio stations?*

We agree generally with the principles proposed by URCA remit for ZNS except as otherwise noted in this document. Further we accept the need for a wider programme genre mix on ZNS television alongside news and note that the Corporation has already begun to focus its resources on provision of a single high quality radio service covering the whole Bahamas.

### **Consultation Question 15**

*Do you agree with URCA's proposal that ZNS should adopt a commissioning model for some TV programmes, in order to ensure a more balanced schedule overall?*

We concur and we are including a budget for same in our upcoming budget 2011/12.

### **Consultation Question 16**

*Do you agree with URCA's proposals for ZNS to conduct regular audience surveys and to publish an annual Statement of Programme Policy? Please give your reasons*

Given that audience tastes will change from time to time, regular audience surveys provide a methodology to increase audience satisfaction with programming.

We are also of the view that an Annual Statement of Programme Policy provides a level of accountability by ZNS for its programming schedule to citizens and Parliament. It should also give a level of comfort and expectation against which ZNS stated programming objectives could be monitored and assessed.



## **Chapter 7**

### **Consultation Question 17**

***Do you have any comments on the historic corporate governance arrangements that have applied to the BCB (ZNS)? What do you perceive to be their strengths and weaknesses? To what extent do you believe that Governments over the years have exercised their influence on operational and editorial matters?***

The fundamental and widely shared principles of public service broadcasting are:

*“Diversity of views through equitable access to a wide range of opinion, independent governance, editorial independence, autonomy from vested interests – political or commercial, emphasis on the social agenda ahead of the market agenda, public accountability and stable adequate funding.”*

However, in The Bahamas and throughout our region, state broadcasters have lacked political autonomy, editorial independence and financial stability. They have generally not been accountable to the public and have often relied heavily on commercial advertising for funding.

We note however that Prime Minister the Right Hon. Hubert A. Ingraham reiterated his government’s commitment to transform the Broadcasting Corporation of The Bahamas from a state broadcaster into a politically and financially autonomous, public service broadcaster at a Commonwealth Broadcasting Union conference in Nassau in 2008.

### **Consultation Question 18**

***What are your views on URCA’s preliminary recommendations regarding the corporate governance of ZNS? Views are welcome on each of the individual recommendations, covering editorial and operational independence, the Board composition and appointment of Members, the separation of roles between the Board and management, funding settlements and accountability to government. To the extent that you agree with URCA’s recommendations, please highlight the arguments you believe to be most persuasive. In areas where you disagree, please give your reasons why***

A new governance structure is critical to ensure the transformation of the BCB into an independent public service broadcaster. The Corporation agrees generally with the proposed corporate governance arrangements recommended by URCA.

In fact a BCB document on “Transitioning to a Public Service Broadcaster” recommend that this structure should incorporate the following key elements:

- Legislated guarantee of political and editorial independence
- Accountable to Parliament rather than Cabinet through annual reporting.
- Professional Board of Governors representing diverse public interests appointed by a formal public process and given staggered terms.
- Governors explicitly tasked with upholding institutional autonomy.
- Governors to have relevant expertise and be restricted from day-to-day decision making.
- Governors to appoint executive management.
- Provision for periodic, independent financial and operational audits
- Provision for independent ombudsman to process public complaints
- Legislated funding guarantee
- Provision for public consultative bodies
- Arm’s length relationship with both government and independent regulator.

The Corporation therefore supports URCA’s recommendation with respect to:

1. Editorial and operational independence
2. Board Composition and appointment of Members
3. Separation of roles between Board and Management
4. Funding settlements
5. Accountability to Parliament

Further we would wish to emphasize the value of funding mechanism that minimizes political influence and allows broadcasters to plan over medium-term horizons.

## **Chapter 8**

### **Consultation Question 19**

*Do you agree that ongoing public funding will continue to be needed for PSB in The Bahamas? Do you think the current annual level, of \$4.25 million, is too low, too high or about right? Should public funds rise in the future when economic conditions improve?*

Yes we agree that ongoing public funding will continue in the foreseeable future. The current annual funding level of \$4.25million is too low. In 2010 the Corporation's advertising revenue was \$5.337M with expenditures of \$15.016M. The Government provided a subsidy of \$8.867 million in 2010. This was reduced to \$4.25 million in 2011. The Corporation in its efforts to reduce costs underwent a reorganization that saw a 35% reduction in staff. The Corporation also has an urgent need to service a number of outstanding, dated financial obligations inclusive of the Performing Rights Society, National Insurance, the Bahamas Electricity Corporation and its employee pension fund.

### **Consultation Question 20**

*Do you agree that the Government should support a one-off capital infrastructure upgrade for ZNS to enable it to offer its services using digital technologies?*

We concur that the Government should support a one off capital infrastructure upgrade for ZNS to enable it to offer its services using digital technologies and the Government has committed to do so. We also are of the view that this capital investment ought to be sufficient to include both studio and production facilities in New Providence and Grand Bahama and include mobile broadcast facilities.

### **Consultation Question 21**

*Do you agree that ZNS should continue to generate income from advertising and sponsorship?*

We do appreciate that given the funding options available the mixed funding model in which ZNS receives a grant from Parliament and is allowed to generate income from advertising and sponsorship is the best possible compromise.

### **Consultation Question 22**

*Do you think ZNS should be required to sell advertising at full market rates? If so, why? If not, why not?*

We believe that ZNS should sell advertising at full market rates because as the public service broadcaster receiving a Parliamentary grant and generating advertising we should not be seen to be under cutting the market rates.

### **Consultation Question 23**

*Do you think less advertising should be permitted on ZNS' TV and radio stations than on private stations, even if this would lead either to a greater need for public funds or to a lower level of PSB provision?*

We believe that one way to separate ZNS the public service broadcaster from commercially driven stations is to allow less advertising on the public service broadcaster.

### **Consultation Question 24**

*What are your views on URCA's proposals regarding alternative revenue streams? Do you agree that ZNS should be encouraged to generate commercial income from exploitation of its intellectual property in secondary markets? How much money do you think this could generate? Are there other funding sources that you would propose to fund PSB?*

The Corporation is always interested in alternative revenue streams. Exploitation of intellectual property in secondary markets is possible but at the moment not well organized and is unlikely to generate significant revenue in the near term. The Corporation is also challenged in that most of its archival material remains in a analog format.

## **Chapter 9**

### **Consultation Question 25**

*Do you agree that ZNS should for now remain the sole designated public service broadcaster in The Bahamas?*

We agree that ZNS should remain the sole designated public service broadcaster for now, but this position should be reviewed periodically and a determination made.

### **Consultation Question 26**

*Do you agree that, should more public funds become available in the future, there is merit in establishing a contestable fund that could support PSB provision by other Bahamian broadcasters?*

We concur with the recommendation that should more public funds become available in the future there is merit in establishing a contestable fund for the provision of PSB programmes by other Bahamian broadcasters.