



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT

Title: S4C

Date: 22 September 2010

By: Alun Ffred Jones, Minister for Heritage

I am pleased to be able to make a statement today on S4C. I am grateful for the opportunity to reiterate the Welsh Assembly Government's support for S4C. It provides an essential component of United Kingdom public service broadcasting and is at the heart of the creative industries in Wales. We are concerned to ensure that changes to its current funding model should only be contemplated after appropriate consideration and consultation.

S4C's television programmes are at the heart of our public life. From their very earliest days, they have demonstrated that the public broadcasting mission to inform, educate and entertain is as relevant and important for Welsh-speaking viewers as it is to those viewing in English. In approaching 30 years of operation, S4C has played a leading role in promoting and safeguarding the Welsh language by bringing it into people's homes every day. This model has been followed in Scotland and Ireland as a way of promoting their own Celtic languages.

S4C has a key role to play in ensuring that the Welsh language continues to thrive. In that regard, its role is more than just as a broadcaster. S4C helps to establish Welsh as a modern language and as part of everyday life in Wales. It enlivens the language, and its services for children and young people make an important contribution to the task of increasing their use of Welsh. Through its factual, historical and cultural programmes, S4C enriches Welsh society. It has, and will continue to have, an important part to play in delivering the vision set out in the Government's strategy for the Welsh language.

S4C has also greatly contributed to the growth in the independent media sector and to Wales's wider creative economy. The creative industries make a vital contribution to our economy and have been recognised as a key sector

in our plans to lead Wales to economic recovery. It is the same economic renewal programme that has been warmly welcomed by the current Secretary of State for Wales.

S4C's contribution both in building our wider skills base and releasing creative potential is difficult to underestimate. The Government is therefore very concerned about the cultural and economic impact should S4C's budget be cut and its output reduced.

This threat is not confined to S4C alone. Ofcom's recent communications market report records that, in 2009, the joint BBC and ITV spend on television services in Wales declined by no less than 16 per cent over the previous year and by an average of 11 per cent per annum over the five years since 2004. That represents a drop of £5 million, from £33 million to £28 million. In fact, the decline in spending for Wales is greater than that for any other nation in the UK. This Government has already raised that matter with ITV and the BBC Trust chairman, Michael Lyons, as the corporation continues with its strategic review. Thus, although broadcasting is not a devolved matter, it is of great importance to our people, our economy, and our culture.

I have written to the Secretary of State for Culture, Olympics, Media and Sport, Jeremy Hunt MP, to express concern over the £2 million-worth cut to S4C's budget announced earlier this year. I have sought reassurances that the cut will not result in S4C's funding falling below the amount calculated in the Broadcasting Act 1990, and I have asked for a meeting, which is to take place next week. In addition, the First Minister has written to the Secretary of State for Wales, outlining the Welsh Assembly Government's concerns in relation to S4C's financial situation.

We are aware that discussions have taken place between the Department for Culture, Media and Sport and S4C in relation to S4C's future budget. We believe that S4C should be treated similarly to other public service broadcasters in the discussions about its long-term future and financing. However, that must take place within the context of the arrangements that were set out and agreed under the Broadcasting Act.

S4C was created by statute to ensure the organisation's long-term stability and independence and to avoid annual wrangling over the Welsh language. Its duties, responsibilities, and its funding arrangements were laid down in law for very good reason. The Department for Culture, Media and Sport should not ignore its statutory obligations towards the channel, and neither can it forget that S4C is a public service broadcaster, not a Government department or a non-departmental government body.

If S4C is to continue to meet the needs of Welsh viewers in an ever more competitive broadcasting landscape, it must continue to be culturally distinctive. It is essential, for example, that it should be able to commission ambitious programmes such as the new landmark drama series *Pen Talar*. It will be able to do so only if it is provided with a sustainable source of funding. S4C continues to be a service appreciated by its audience. It was particularly

encouraging to hear last week that 1.4 million people had watched S4C's programmes from Wales's summer events this year, which is an increase of 44 per cent on last year.

We all know that cuts are on their way. However, I am extremely concerned about the scale of the financial cuts being proposed by the UK Government, and their impact on services throughout Wales. The Welsh Assembly Government will continue to argue the principle that Welsh-language broadcasting should not be treated less favourably than the other aspects of public service broadcasting. We will continue to argue that the principles upon which S4C was established under the Broadcasting Act should not be abandoned and that this contract with the people of Wales not broken.