



Cynulliad Cenedlaethol Cymru The National Assembly for Wales

Y Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol: Grŵp Gorchwyl a Gorffen ar Ragolygon ar gyfer Dyfodol y Cyfryngau yng Nghymru The Communities, Equality and Local Government Committee: Task and Finish Group on the Future Outlook for the Media in Wales

**Dydd Iau, 13 Hydref 2011
Thursday, 13 October 2011**

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Peter Black	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Janet Finch-Saunders	Ceidwadwyr Cymreig Welsh Conservatives
Bethan Jenkins	Plaid Cymru (Cadeirydd Dros Dro) The Party of Wales (Temporary Chair)

Eraill yn bresennol
Others in attendance

Yr Athro/Professor Steve Blandford	Ganolfan Astudio Cyfryngau a Diwylliant mewn Cenedloedd Bach, Prifysgol Morgannwg Centre for the Study of Media and Culture in Small Nations, University of Glamorgan
Yr Athro/Professor Ian Hargreaves	Prifysgol Caerdydd Cardiff University
Euryn Ogwen Williams	Ymgynghorydd Consultant

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Rhys Iorwerth	Gwasanaeth Ymchwil Research Service
Marc Wyn Jones	Clerc Clerk

Dechreuodd y cyfarfod am 12.59 p.m.
The meeting began at 12.59 p.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Bethan Jenkins:** Thank you, everyone, for attending the meeting today. I welcome committee members to this task and finish group to look into the media situation in Wales. The meeting will be conducted bilingually, and headphones can be used to hear the simultaneous translation from Welsh to English on channel 1, or for amplification on channel 0. I am sure that everyone has turned off their mobile phones and other electronic equipment. This is a formal meeting, so people do not need to touch their microphones, because they will be amplified through the process that was set up before the meeting. If there is a fire alarm, we need to follow the ushers' directions. We have apologies from Ken Skates AM. He has unfortunately fallen ill, and we wish him well in his recovery—hence my sitting here, chairing this meeting today. Unfortunately, we do not have any substitutions from Labour, but we have other Members present. Do Members have any interests to declare? I see that you do not.

1.00 p.m.

Ymchwiliad i'r Rhagolygon ar gyfer Dyfodol y Cyfryngau yng Nghymru
Inquiry into the Future Outlook for the Media in Wales

[2] **Bethan Jenkins:** We have a briefing paper with regard to this item. Our first witness is Professor Ian Hargreaves, and we welcome him to this inquiry. First, will you give an overarching view of how you see the state of the media in Wales? We would like to have emphasis on what solutions can be put forward for the future, rather than focusing on past experiences and difficulties with the media. Welcome, Professor Hargreaves; I know that you have not had time to submit a paper, but perhaps we can explore some of those questions with you now.

[3] **Professor Hargreaves:** I am happy to do that, and I am happy to submit a note subsequently, if that is helpful to the group.

[4] Thank you for inviting me to join you. I welcome the emphasis on solutions, rather than recapitulating historic problems. As an overarching context setter, perhaps it is worth noting that you tend to get asked in this debate whether you are an optimist or a pessimist. I am intuitively inclined to optimism; therefore, I sometimes set out to find an evidential basis for that optimism. The positive way of looking at what is going on in the media and in the news media is to observe that, although there is a very significant transfer of funding—through advertising and other commercial channels—from one type of media to another, there is absolutely no sign that the British public, the Welsh public or the public anywhere is becoming less interested in media. On the contrary, there is good evidence that people are increasingly interested in having media that enable them to know what is going on, to ask questions and get answers, and to know what is going on close to where they are, in the nation that they live in and in the world that they live in. There is good evidence for all of those things.

[5] I would be feeling pessimistic if I thought that we were facing some kind of shut-down of public interest. You hear a lot about the turbulence caused in business models as a result of, essentially, the increasing pace at which the internet has become a viable platform for advertising, thereby taking advertising away from newspapers, magazines and conventional radio and television operations, to some extent. However, those media, which are sometimes called 'legacy media', in many cases, continue to be in a strong position.

[6] Is Wales in some different place with regard to those big trends? I do not believe so. Your suggestion, which I will not go into, regarding the ways in which Wales's media have been historically weaker in some respects than the media of other parts of the United Kingdom, is a fact that is relevant, but you do not need me to recapitulate that for you. The question is this: does the new configuration of the media offer new opportunities in Wales, as elsewhere? The answer, in my view, is 'yes'. If the answer is 'yes', what can the Welsh Government and other agencies do to help those positive tendencies turn in to reality? I welcome the committee's interest in that question, because it is a very important one.

[7] **Bethan Jenkins:** Thank you; that was very informative. We know that you have a wealth of experience in that particular area. We want to focus on four themes, including the current state of the media and the impact of new technological developments. Could you give us an update on the creative industries panel and the Government's reaction to your review, 'The Heart of Digital Wales'? Have you seen any progress on that? If so, what kind of progress, and if not, what problems have there been with taking that forward?

[8] **Professor Hargreaves:** The timeline for that is informative. I presented that review to the then coalition Government in March 2010, and it responded by saying that it intended to implement everything around the report, although not in precise detail. However, the

response was positive and pleasing to receive. In subsequent weeks, I helped with the process of establishing the new mechanism of the creative industries advisory panel, which got under way in September 2010. The panel has worked assiduously since then. People who follow these issues quite frequently say to me, ‘Why has there not been more progress?’, ‘What is this committee up to?’, ‘What is the advisory panel up to?’, and ‘What is going on?’ In between now and then we have had an election, and elections always interrupt the flow of what is coming out of Government. My understanding is that the creative industries panel has given concrete advice to the Government, which will be in a position, reasonably imminently, to respond. It is not for me to speculate on what that response will be, although I am happy to speculate on what I would like the response to be. I am not feeling pessimistic about it. The new Government has, essentially, stayed with that way of looking at the problems. I hope that it is on track to follow through on the lines of activity that were set out in the review.

[9] **Bethan Jenkins:** That is heartening for us to hear. We will look out for that announcement. Do any other Members have questions at this stage?

[10] **Peter Black:** The coalition Government is now promoting what it calls ‘local television’, as opposed to what was in place before the election. What role does local television have in Wales? Do you think that it is viable here? What impact do you think that it will have on current local media in Wales?

[11] **Professor Hargreaves:** I was a supporter of the proposition that was put on the table by Gordon Brown’s Government—the independently financed news consortium—which was considered, exciting and interesting. I am not forswearing my interest in that proposal. However, it was taken off the table by the new Government—as the Conservative Party promised during the election campaign—and it has put local television on the table instead. I am also enthusiastic about local television. It asks more demanding questions in how it will work. Where the coalition Government in London has got to in answering those questions gives us enough ground to justify feeling reasonably encouraged about it. It has published a long list of places where local television can acquire the necessary spectrum to get going. Those places range from Mold to the Cardiff area—actually, it is pretty much Newport to Bridgend in that particular case.

[12] I have not spoken to anyone in Wales who thinks that these local television opportunities will provide huge opportunities for commercial riches. However, they present opportunities to enrich the media, because the Government has taken some money away from the BBC for the infrastructure to be available for these new services. They will still need to raise money from advertising, sponsors and, possibly, from other sources, but that is possible. The school of journalism with which I have been associated for 10 or 12 years in Cardiff has played a role with a number of bidders in offering its support to provide access to the kind of newsroom facilities, for example, that we have at the university. It is those kinds of partnerships that offer, on the one hand, a route to a viable cost base for such services as well as bringing in some additional lines of energy around local media, which are very much needed in Wales. We need to be careful about how that impinges on existing media, because we do not want to open local television stations in order to close down local newspapers all over Wales. That requires attention, but I hope that this committee will conclude that local television is a useful net addition to local media in Wales.

[13] **Peter Black:** Past inquiries in the Assembly have identified issues in Wales-wide media. Most people on the border will watch English TV, listen to English radio and read English newspapers. We do not have a national newspaper, as such, and the vast majority of the people of Wales tend not to watch or listen to national media channels. Will the emphasis on local television continue to cause a decline in a national media presence?

[14] **Professor Hargreaves:** As you said, there has not been an all-singing, all-dancing,

full national news medium in Wales at any stage of its history. The closest that we have to it in the English language is BBC Wales and the closest that we have to it in the Welsh language is S4C. There is a lot to talk about there, if you want to talk about that. There are things that can evolve out of that legacy. It is important to remember that, alongside raising the point about the unsatisfactory nature of how the S4C issue has been handled, Wales gets more money for public service broadcasting per citizen than any other part of the United Kingdom, precisely because it has an additional public service broadcaster in S4C. I am not using that as an excuse, but there should be enough resource in the system, as configured, for Wales to have the media that are needed, particularly when you include within that the interesting and important new forms of media that arise from the existence of the internet.

[15] **Bethan Jenkins:** Janet, do you have a specific question on local television?

[16] **Janet Finch-Saunders:** No, it is on the technological developments—you will have to excuse my voice—and the consumption patterns of the emerging, different media platforms. How will they impact on the general Welsh media and how we communicate? In particular, I am interested in the rural perspective, because, as has been touched on by my colleagues, in many rural parts of Wales, you cannot access mobile phones, broadband or Welsh TV and media. So, the situation is even more compounded in rural areas. How will different technological streams impact on Welsh media generally?

1.15 p.m.

[17] **Professor Hargreaves:** The good news is that the technologies that we are referring to are the first technologies in the history of communications that are capable of addressing the problem that you describe. I fully accept that they have not yet been installed and adopted in a way that is sufficient to achieve that, but I am optimistic that that will be so.

[18] There has been little comment made on two important data points that emerged over the summer in Ofcom's annual statistical wrap-up on communications issues in Wales. The first of those two things is that the level of take-up of broadband has risen more rapidly in Wales than anywhere else in the last year, to the point where it is now pretty much—allowing for statistical error—at the same level as in the UK. That is really quite interesting, as it has not been true before. The other thing that is interesting is that the use of social networks in Wales, at roughly half the people, is at the same level as in the rest of the UK. That is notwithstanding the fact that we have what I agree are continuing and quite severe, in places, infrastructure issues. However, the number of people who are involved in using Facebook in Wales—the last number that I saw was around 750,000 people—makes the Facebook platform a very significant media player, or component of the media infrastructure, in Wales. We are at an early stage of understanding what the potential of that will be.

[19] In terms of what is wrong and what can be done about it, the absolute No. 1 priority for the future of media in Wales is to complete the broadband infrastructure and to address weaknesses in the mobile infrastructure. If that is not done successfully—it is currently the Welsh Government's intention that this should be completed to next generation levels by 2015—Wales will suffer structural disadvantage for another generation. So, this is very important. Although it would be technically very challenging, I would even argue that, in the event that the UK Government, along with the Welsh Government, decided that the risk of a double-dip recession justified pulling forward some infrastructure expenditure, I cannot think of a more important piece of infrastructure spending for Wales than the completion of a next generation broadband network.

[20] To go back to local television, the first wave of local television can be done on old-fashioned digital spectrum. That will, however, not take you to many of the places that are already weak in media, or many other places. A thorough multimedia, local media system

requires broadband to be everywhere and it requires it to be accessible to everyone. That is absolutely achievable, in my view.

[21] **Bethan Jenkins:** Thank you for those comments. I would like to make a brief comment on local television. I went to a Westminster media conference on this subject on Tuesday, where people were more concerned about the threat of Facebook television and Groupon television than about other things. That framed the discussion. Many of those present stated that it could not work outside London due to advertising revenue streams and so forth. The jury is still out, but I am sure that we will collect more evidence over the next few months as to whether that could be successful in Wales.

[22] I would like to move the discussion forward and look at the UK Government's proposals for a communications Bill. Many people have said recently that, in Wales, we lack the legal authority to intervene decisively in UK communications policy. The pace and direction is, therefore, set by the BBC, ITV, Ofcom, and so forth. What do you believe are the implications of the communications Bill as it is being drafted?

[23] **Professor Hargreaves:** The communications Bill represents an opportunity for the Welsh Government to propose a revision of the settlement with regard to broadcasting. I am, and have been for a long time, an unapologetic advocate of the Welsh Assembly Government—now the Welsh Government—involving itself more in these matters. I have found it difficult to understand why Wales would want a Welsh-language television channel to be primarily cared for in SW1 in London. It is time for the Welsh Government, carefully, and in a very considered manner, to work out what the next stage of the game is here. In my view, the next stage of the game must involve the Welsh Government more than it currently does. That is for two reasons. One is because of the democratic importance of the media, which needs no further explanation. The other is that the media is a hugely important part of the creative economy of Wales. The creative economy—which is what my review of creative industries pointed towards—is a very important part of the Welsh economy in looking ahead. The Welsh Government has a very significant responsibility for the economy of Wales, and it can only help for the Government to be more informed about and have a greater degree of responsibility for those issues also.

[24] **Bethan Jenkins:** Can you expand upon what you mean by 'involve itself more in these issues'? For example, would you support devolving certain aspects of the media—you talked about S4C, in particular, and the power over that sits in London—or would you look at it on a broader basis? Would you be happy for there to be firmer negotiations between this Government and the UK Government?

[25] **Professor Hargreaves:** I would look at it on a somewhat broader basis than that. There is an argument to be made about the relationship between the governance of the BBC through the BBC Trust and the nature of the relationship between the Assembly Government and the trust. There is some enhanced federal opportunity available here, which you hear a lot about in Scotland at the moment. Devolution demands that the governance of public service broadcasting reflects, to a greater extent than perhaps was appropriate 10 years ago, the fact of the devolved Governments in Scotland, Wales and Northern Ireland.

[26] **Peter Black:** What should Wales be seeking to get from the communications Bill specifically for Wales and the media in Wales?

[27] **Professor Hargreaves:** It is not entirely clear what the scope of the Bill is. However, it will certainly address the issue of plurality in the media. There is a very distinctive Welsh concern about media plurality, and it is very important that the plurality rules are thought about in a way that makes sense for Wales, as well as making sense for other parts of the United Kingdom. The future of public service broadcasting will inevitably be a substantial

chapter of the communications Bill, and we have just referred to some of the issues that arise out of that. It was very clear from the speech that Jeremy Hunt, the Secretary of State for culture, gave to the media convention in September, that there is a very strong emphasis on issues of economic growth and productivity in this media and cultural agenda, which did not used to be there. The reason why that has moved more to centre stage is because, in the context of the knowledge economy and the creative economy of Wales, the internet is changing the rules and opening opportunities for business development and prosperity in Wales that need to be thoroughly understood. One of the things that my review said—and I am not sure that the Welsh Government is in the right place on this—is that it is very important that we understand the interconnections between the effects that the internet has on the whole economy, where it is changing retailing, manufacturing and business services, as well as understanding it as an infrastructure issue. Sometimes, these matters become very separated. If that happens, Wales will mis-design its own future. That is a mistake that is avoidable today, if we get this right.

[28] **Peter Black:** I understand that the Bill will be moving along the deregulation path as well. We have a fairly strong creative industries sector in Wales, in terms of independent companies producing programmes. Are there things that the Welsh Government needs to be doing for that sector, which will enable it to benefit from deregulation?

[29] **Professor Hargreaves:** There are many small things that could be done. I will not give you a long list of them, but, as an indication, something that I am working on at the moment is an enhanced ability to exchange knowledge between Wales's universities and the creative sector in order to help generate new products and services. That type of activity can be supported with quite modest amounts of funding and intervention by the Government. There are quite a lot of opportunities of that kind. For them to be taken requires the Government, in an overarching way, to be thinking about it in the right way so that civil servants who are responsible for administering particular programmes and individual Assembly Members can see how it all works. It is about investing in the right way at a time of deregulation. I have been involved myself in proposing some deregulation of copyright restrictions in the UK in the last year. All of these things are, in my view, very positive for the creative economy of Wales. They require a certain boldness and a certain willingness to strike, and I think that Wales is well capable of responding to that opportunity.

[30] **Bethan Jenkins:** I want to move the debate forward, in the next 10 minutes that we have with you, to talk about solutions and possible funding models for the creative industries. Many people have suggested that funding should support innovation rather than institutions, and that entrepreneurs and small businesses are best placed to look at the answers to this problem, as opposed to some of the long-standing media institutions. For example, there are people looking at start-up loans or sponsoring individual journalists to initiate investigative work, and local news hubs are starting to appear where local newspapers have closed. Do you foresee the creative panel taking part in that work or do you have ideas of your own as to what could be the solutions for the future?

[31] **Professor Hargreaves:** I would very much hope that the creative panel will shortly—if it has not already done so—be putting on the table a remaking of the financial support mechanism so that it is pointed at the digital or online media dimension, and I hope that the Government will respond positively to it. That is very important, not because it is necessarily more important than legacy media in every respect, but, because the cost of entry is relatively low, it mainly involves smaller companies, it presents opportunities for small and micro businesses, and all the research tells us that most jobs in the economy arise from the activities of smaller, rather than larger, companies. Wales needs to improve the conditions in which those companies work in every respect.

1.30 p.m.

[32] That is one type of activity that I would very much like to see, and I hope that we will see. Another type that did not arise in the review is what is sometimes called hyper-local publishing or media schemes. A number of these are happening in Wales at the moment. There are hundreds happening on an UK-wide basis. There are very significant opportunities here, including for Government, to encourage and help new types of service into being. There has been some public investment in that in Wales; you will know about the Golwg360 online network. I am not fully up to date with that, but I am sure that many things are being learned from it. At the journalism school of the university, we are working on ideas to help train community online journalists. These are people who are not going to become professional journalists as their main activity in their working lives, but who want to operate successfully in the world of blogs, Twitter and hyper-local media. The journalism school can play a part in that, but to do so it will need some support from others, which might include the Welsh Government or other kinds of support. You can see how different players can come together to generate new types of activity.

[33] **Bethan Jenkins:** We know about hyper-local sites, but is there a concern that they may not provide the national cover that we need, and that there will be a gap that they cannot plug? There are cuts to the BBC, cuts to S4C and potential changes to ITV, so will the hyper-local and community journalists be expected to rise to the challenge of covering the national news, when that is not what they are there for?

[34] **Professor Hargreaves:** I would not see that becoming the situation any time soon. Wales needs a strong BBC Wales. In these new circumstances, Wales also needs Channel 4 to engage with Wales to a degree that the channel has not felt the need to in the past. We also need S4C to emerge from the worst year of its life to become a vibrant and effective player in Wales again. I do not underestimate the importance of any of those things. Speaking about community-level initiatives, it is of huge importance that the BBC is moving its headquarters from the north Cardiff suburbs to what has now been named 'Porth Teigr' in the bay to generate a visible focus of new energy around what is, in the Welsh context, big media. Wales needs big as well as small media. Wales needs to be informed at a community level and to reach out beyond that. We could talk about how that side of Wales's media needs can be developed, but these things are equally as important. Local blogging and hyper-local sites are not a substitute for that at all.

[35] **Janet Finch-Saunders:** Touching on questions of democratic accountability, to what extent do you feel that there is a need for a mapping review to look at Welsh online political activity to determine its true value and its impact as a counterpart to mainstream journalism in Wales?

[36] **Professor Hargreaves:** I am a big fan of mapping, but, as someone who works in a university, you would expect me to say that. It would be interesting to spend a minute on the mapping that has been done in Wales that is relevant to these issues, if you do not mind. I remember when Ofcom was set up, because I was a member of the original Ofcom board. Ofcom has contributed a quality of data to the understanding of broadband, mobile and telecoms issues in Wales that did not exist previously. It is of enormous value to a healthy political process of defining objectives and knowing what it is you are going for.

[37] A map of the state of the media in Wales does not exist on a constantly refreshed basis. The last good attempt at it was, I think, by the Institute of Welsh Affairs, going back two or three years. I hear talk of an initiative to put that on a regular and self-sustaining footing. That is another example of something that would not cost all that much, but which would be a very useful thing for Wales to have. If the Welsh Government is going to engage more knowledgeably and completely on these subjects, it will need that knowledge. When I did the review of the creative industries, the first thing that I found was that there were no

good data for Wales. The data for Wales and the creative economy are also very important on economic grounds. It is a bit of a boring thing to say, but, without that evidence and that database, your jobs are made much more difficult than they should be.

[38] **Peter Black:** To get back to the issue of S4C, we are now in a situation where they are putting together the governance arrangements for the channel within the BBC. There is controversy about how many BBC members are going to be on the management board and to what extent S4C is going to be able to operate independently. How important is that in terms of Welsh-language provision? What would the ideal model be for this new-look S4C within the BBC family?

[39] **Professor Hargreaves:** It is difficult to perceive your way right to the best final answer to that question. However, I would say that the correct points of focus are: what the service is that S4C is providing to the people who want to make use of it; how the influence of that service can be increased and not narrowed; and how we can best make the most of the investment S4C involves in Wales's creative economy and the Welsh language part of that, which is hugely important, highly distinctive and a great asset to Wales in the wider world, in my view. If we find ourselves in a minutiae of committee membership chopping about this, we will be at risk of not getting the best answers. I am not happy with the way that the S4C issue has been dealt with in the past year—I doubt that anybody is—but it is possible to make a real success of the new arrangements, whatever they turn out to be, if your focus is improved service, an improved range of access and an improved impact of S4C. That is what the new people, who are very slowly being put in place to run S4C, are charged with. I hope very much that that is what they will succeed in delivering.

[40] **Bethan Jenkins:** I want to follow that up briefly. In 'The Heart of Digital Wales', you state that the Welsh Government should

[41] 'establish with the S4C Authority a schedule of structured public dialogue, designed to broaden debate about S4C's activities. This could take the form of an annual exchange between the S4C Authority and the appropriate Committee of the National Assembly'.

[42] To what extent do you think S4C, the Department for Culture, Media and Sport and the Welsh Government are listening to those ideas and are ready to implement them?

[43] **Professor Hargreaves:** It is most relevant for me to reply to that question by saying that I do not think that the Welsh Government has been ready enough to respond to that. I have been disappointed in the Welsh Government's response to that set of questions. I say that frankly and as someone who lives in Wales and adores Wales but who is not Welsh or a Welsh speaker. However, I have followed this subject closely and I think that there is an opportunity and responsibility for the Welsh Government here.

[44] With regard to whether the other players—the BBC in London and Jeremy Hunt's department—are open to some sort of discussion about all of this, you had better ask them. However, my sense is that it is game on and that the Welsh Government should get playing.

[45] **Peter Black:** Should the Welsh Government seek an active role, either on its own behalf or on the National Assembly's behalf, so that we can hold these new media structures to account in the Assembly?

[46] **Professor Hargreaves:** I am in favour of these new media structures being appropriately held to account in the Assembly, so long as we do not turn that into an apparatus for spending all our lives holding things to account and people cannot get on with serving audiences and developing exciting new services.

[47] **Bethan Jenkins:** There is a balance, because people have thought, in the past, that S4C has not been directly accountable enough to the people of Wales. However, as you said, we do not want to be constantly reviewing; we want to give it the opportunity to implement new ideas for the future.

[48] To go back a bit, on the new solutions, you mentioned lots of ideas for businesses and so forth, but I want to get on record whether you believe that public subsidies for these types of developments, such as Golwg360, are the way forward or an alternative only when other funding mechanisms are not currently in the marketplace.

[49] **Professor Hargreaves:** There is a place for public funding. I am a believer in the public funding of the BBC and of S4C. Smart public funding asks the most demanding questions of the organisations in which it invests. There are a lot of opportunities at the moment for Government to be a minority investor or a small stimulator. I talk to people who are creating hyper-local services around the UK, and they do not need a lot of money—they just need a little money to help with training or an opening investment. These are not capital-heavy operations. They are about communities acquiring the self-confidence and the capability to create remarkable new services for themselves. They are doing this all over the UK. One thing that you do not want to happen, as nearly happened a few years ago, is for the BBC to march in and do this for everyone. The BBC is wonderful and does many things that we need it to do, but it does not need to do this. This needs to be community self-expression, with communities taking responsibility for and interest in their communications needs. There also needs to be a healthy dose of that in local television.

[50] **Bethan Jenkins:** Are there any more follow-up questions? I see that there are none. Thank you for your evidence today. As was the said at the beginning, if you would like to provide us with a note for future reference to inform our debate as we go on, that would be very useful. We will send you a transcript—for you to check rather than to change what you said. Thank you for attending the meeting today.

[51] **Professor Hargreaves:** Thank you for giving me the opportunity.

[52] **Bethan Jenkins:** We will move on to the second witness, from the Centre for the Study of Media and Culture in Small Nations. We will wait for Professor Steve Blandford to get to his seat, before we ask him to do anything. [*Laughter.*] Welcome. You may have heard what was said at the beginning of Professor Ian Hargreaves's evidence session. Can you give us your overarching view of the media in Wales, specifically looking at solutions for the future? We need to look at the context, but we are very conscious of looking forward to the future.

[53] **Professor Blandford:** First, thank you for asking me, but thank you slightly less for putting me on straight after the man who has probably done more to investigate the media in Wales than anyone else. However, I will do my best to follow a formidable act.

[54] I thought that it would be useful to say something distinctive from my perspective. As you probably know, I am the director of a small research centre at the University of Glamorgan, namely the Centre for the Study of Media and Culture in Small Nations. We believe firmly, which is why the centre was set up, that Wales can probably be a little more active than it has been in learning from the family of small nations, and, indeed, offering what it has achieved to that family. One thing that strikes us is that there is work to be done in looking at other comparable national situations in answering some of the questions that are before you. There are one or two quite specific examples of that, but there is quite a bit of work to be done. Of course, 'small nations' covers a multitude of sins—Canada is a small nation in relation to the United States and so on. So, obviously, we need to look at genuinely useful comparators. One of our recommendations in addressing those questions would be that

some of that work is done.

[55] It seems clear to us that there is a contradiction in the Welsh media landscape at the moment. On the one hand, we have very high profile success in the way that Wales represents itself to the world—I am referring to the Roath Lock development and the BBC's recent establishment of a major centre for drama production in Wales. It is difficult to overestimate what that has been done in certain respects for Wales internationally, through the success of *Doctor Who* and *Torchwood*. I was involved in a piece of research for the BBC Trust that, to some extent at least, measured the impact of that internationally, and it was a tremendous achievement. On the other hand, that must not be allowed to cloud some very difficult questions facing the media in Wales—particularly, in our view, the lack of a genuine national press. I am sure that we will come to S4C in due course; it has had a difficult and potentially damaging year, although it is not by any means irredeemable.

[56] Perhaps more broadly—although the things that I have just mentioned are part of this—there is the issue of plurality of media in Wales, and the engagement of the wider public with a distinctively Welsh media. For reasons of democratic accountability, that seems to us to be perhaps the most fundamental of all questions. However, it would not be enough to say that we have a plurality of voices in the Welsh media that cover the range of issues facing Wales. There is a need to engage the wider Welsh audience in the need for distinctively Welsh voices. I am not sure that the audience in Wales is, in all respects, as convinced as we might be, sitting around this table, of the need for full reporting of the Assembly's proceedings, for example. I do not think that the issue of democratic accountability is as embedded in the wider audience as it might be. In some ways, as a result of that—I will just finish on this—there is a need for a wider debate on what we want in Wales from our own Welsh media. I am not sure that that is at the forefront of public consciousness, and there may well be things that we can do to change that.

[57] **Bethan Jenkins:** I saw from your press release on the University of Glamorgan website, before coming here today, that you specifically said that Wales lacks policy influence over the media and broadcasting, and that the Welsh Government could seek to strengthen Wales's voice within the existing communications regulatory framework. How could this happen?

[58] **Professor Blandford:** Clearly, there is a spectrum of things that could happen. As Ian Hargreaves suggests, the scope of the communications Bill, for instance, is not entirely clear. I should say very clearly that I have been in favour of the Welsh Government involving itself in ways that go well beyond the existing framework for the regulation of broadcasting. At the very least, it should ensure that there is no further reduction in, for example, the obligations on independent television in Wales to produce news programming. There are ways within existing structures, such as exploring the question of the BBC Trust having a Welsh sub-committee, and there being a requirement for a Welsh member of the Ofcom board and so on. However, perhaps beyond the scope of a specific communications Bill, there is quite a strong case for devolved powers over aspects of broadcasting and media regulation that go well beyond the scope of the current debate.

1.50 p.m.

[59] **Bethan Jenkins:** Would you say that there should be full devolution, or would you look at aspects of devolution in separate chunks? Would you consider S4C, for example, over other things?

[60] **Professor Blandford:** There is a case for full devolution, but the evidence base would need to be strengthened for that to be argued. However, most certainly S4C, as you have raised it.

[61] **Bethan Jenkins:** Do Members have questions?

[62] **Peter Black:** Full devolution is one end of the spectrum and nil influence is the other end of the spectrum. We seem to be closer to nil influence than we are to full devolution. What do you think the Welsh Government—and the UK Government, for that matter—needs to do to be able to increase the level of influence that it has on the current media debate and the regulation and impact of the media in Wales?

[63] **Professor Blandford:** Do you mean regulatory influence?

[64] **Peter Black:** Any influence at all, really. It seems that we are not taking an interest at a Welsh Government level. Do you think that the UK Government would be receptive to such overtures?

[65] **Professor Blandford:** One step on that journey would be to require greater accountability from the broadcasters in Wales as far as the Assembly is concerned, such as an annual high-level annual report to the Assembly at the very minimum about the economic impact in Wales, or perhaps more broadly the cultural impact in Wales. That would be at least a beginning and, from that, builds the case for different forms of regulation. I take note of the last section of the conversation that you had with Ian Hargreaves. You really do not want to get to a situation where the broadcasters' creative freedom is enmeshed in endless committees of accountability. However, on the other hand, at the moment, as you suggested, we are at the other end of the spectrum and I do not think that that is sustainable.

[66] **Peter Black:** I agree with Ian Hargreaves when he said that we do not want to get hung up on structures; we want to look at output and the outcomes, particularly in relation to S4C. However, will the fact that S4C is now going to become part of the BBC family rather than a standalone organisation in its own right reduce the opportunity for influence?

[67] **Professor Blandford:** It should not, but it has the potential to do so. My sense is that it is not the intention within the BBC as an organisation to pursue those ends, but naturally, from the outside, it does not look good. I think that the BBC is in a position that it probably never sought and never would seek. However, it is quite possible that the Welsh Government can be an important ally for the BBC in seeking to arrive at an arrangement with S4C that meets the needs of both halves of that bargain, if I can put it like that.

[68] **Bethan Jenkins:** We have concentrated quite a lot on broadcasting, but Janet asked a question earlier about convergence and so on perhaps threatening the newspaper industry in Wales. Do you see hyper-local sites being a threat to that or will they fill a gap where something is needed?

[69] **Professor Blandford:** It potentially fills the gap where something is needed, but the so-called business models—and I must state that I am not a businessman—are not promising. However, in doing a little bit of rudimentary research in relation to your questions from a small-nation perspective, we came across some interesting examples of different approaches to this model. Please do not get me wrong, I am not offering them as off-the-shelf solutions, but in both Estonia and Slovakia, interestingly, there is a model where consumers pay a relatively small sum for access to paywall internet content. The figures are very modest; we are talking about something like €29 a year for unlimited access to paywall services and information. If those models exist, then I am sure that there are others. We have to be that imaginative, because, at the moment, the two extreme models for providing access to news—at one level, perhaps, *The Times* and at the other, *The Guardian*—are both struggling in different ways. It would be very interesting for Wales to follow the lead of other small nations and devise comparable solutions to encourage microsites that charge very small amounts for

their services.

[70] **Janet Finch-Saunders:** I want to move on to the future funding models for creative industries, and whether these funds should come from the usual funding establishments. What about funding and innovation coming from entrepreneurs, rather than the current way that we have looked at it?

[71] **Professor Blandford:** Initially, there was a certain amount of surprise among some of my colleagues who work in higher education in the creative industries that creative industries were not part of the enterprise zone model that was recently announced. There are many demands and many ways of configuring that model, but it seems slightly at odds with the Welsh Government's very welcome support for the creative industries, which in some ways has been as vigorous in Wales as it has been anywhere in the UK. For the creative industries to be outside the enterprise zone model was slightly surprising.

[72] The creative industries depend on entrepreneurs across the whole spectrum—people in the creative industries are part of microbusinesses and are solo businesses and so on. On the other hand, perhaps the announcement did not send out a particularly encouraging signal. That would be one direct measure that could be taken.

[73] **Peter Black:** One of the more welcome aspects of the BBC's recent announcement is that it will put out more content for private independent producers to deliver. Most of S4C's content comes from that source as well. Could the Welsh Government do more to support those independent producers and creative industries than it is doing at the moment?

[74] **Professor Blandford:** I do not want to hark on about the enterprise zone, but that would be an obvious thing to do. To some extent, the Welsh independent sector is relatively healthy, particularly at the high end, but it is probably the smaller, newer businesses that will be most at risk. From my perspective, I am thinking of new graduates looking to start businesses. Universities have made some strides in encouraging entrepreneurial attitudes in young graduates across the spectrum, but it is quite a harsh world. There may be partnerships that the Welsh Government could enter into with higher education consortia to incubate small businesses at a very modest level. The Welsh sector is at its best in the four or five key companies, but it is quite a harsh world for new, smaller enterprises and young graduates.

[75] **Peter Black:** Are the infrastructure limitations holding back that sector, particularly in terms of broadband, as significant not spots have been identified in Wales?

[76] **Professor Blandford:** It is certainly a priority for Wales to keep pace, but it does not seem to be an area where Wales has lagged behind in terms of public policy—quite the opposite, really. It seems that the Welsh Government has prioritised that area, but it is not an area where one can take one's eye off the ball. As Professor Hargreaves outlined, it would be a disaster for a generation if that were to be the case, but it does not seem to be a policy deficit at the moment.

[77] **Peter Black:** I saw a news item today where someone in that sector was commenting that instead of trying to put high-impact broadband in place, the Welsh Government should be concentrating on getting the basics right across Wales. It is an interesting question of balance.

[78] **Professor Blandford:** That is an interesting point of view. I am not sure whether my personal sense of the landscape allows me comment in too much detail, but that is a very interesting point of view.

[79] **Bethan Jenkins:** To go back to what you said about the independent sector doing quite well, do you think that that is because there are out-of-London quotas at the moment,

and that much of that work must be carried out in Wales? Therefore, are you concerned that a deregulatory approach may hinder that? Or, as Ian Hargreaves suggested earlier, might that be a positive for Wales instead?

2.00 p.m.

[80] **Professor Blandford:** It could hinder it, but, on the other hand, we have come through a period in which the Welsh independent sector has been able to take advantage of quotas. I am not particularly in favour of quotas as a principle, but I think that they were necessary because you started from a very difficult position, not just in Wales, but in other parts of the UK. It may be that Wales is now in a better position to withstand a deregulatory climate. On the whole, the danger of deregulation going too far is much greater under the current UK Government than the opposite. However, on the other hand, I would not be quite as pessimistic about Wales's ability to withstand that as I would have been, say, 10 years ago.

[81] **Bethan Jenkins:** You mentioned Estonia and other countries. Obviously, we are looking at solutions, so perhaps you could give us more of an idea in detail about what is happening in those nations that may be similar in shape and form and where people's cultural identities are strengthened by different solutions to the ones that we are looking at at the moment.

[82] **Professor Blandford:** Clearly, you do not want an endless list, but, if I may, I will pick two or three examples of spectacular success. Take for example the Danish and Finnish film industries. They are countries with languages that, internationally, are not much more commonly spoken than Welsh, but they have built considerable niches for themselves. We are clearly not talking about a Hollywood-scale industry, but there is recognition of Danish filmmaking across the world, and, to some extent, there is export. There was an interesting example in Scotland about 10 years ago, when international-class Danish filmmakers were paired with Scottish filmmakers. I forget the name of the scheme now. A number of Scottish films were produced from that.

[83] In terms of the politics of the country, somewhere like Catalonia—stateless nations; you understand what I am saying—

[84] **Bethan Jenkins:** Yes.

[85] **Professor Blandford:** It has the same legislative powers. Catalonia is an extremely interesting example. It is a very prosperous and powerful small nation. We have had quite a lot of contact with Catalonian academics on the state of television and, in some ways, they envy what we have in Wales. In some ways, Catalonia envies S4C. However, there are also ways that we can learn from them. For example, there is a very powerful Catalonian publishing industry, and the same is true with newspapers—they are much more established. It is dangerous to draw too many parallels.

[86] **Bethan Jenkins:** So, do they have things like public subsidies?

[87] **Professor Blandford:** Yes, in publishing—

[88] **Bethan Jenkins:** In publishing, but not in any other—

[89] **Professor Blandford:** They do have subsidies in television, to some extent; it is a complicated picture. However, they do not have anything comparable with S4C. One of the things that my colleague in Catalonia was envying was the way in which the *Doctor Who/Torchwood* effect has taken Wales out, rather than the impact of those television services on the country inwardly. To summarise it very crudely, you might say that, in

Catalonia, they have services in Catalan that service the population very well looking inward, but which do not do very much for Catalonian influence looking outward. My colleague in Catalonia thought that Wales had made some considerable advances in that respect over the past 10 years.

[90] **Bethan Jenkins:** Are there any more questions from Members? Do you want to ask anything else, Peter?

[91] **Peter Black:** What should Wales be looking to get from the communications Bill?

[92] **Professor Blandford:** Wales should be looking for a number of things. We have talked already about the maintenance of plurality and ensuring that such plurality properly serves the democratic imperative inherent in devolution. There is a mismatch in that devolution has happened, but the media regulatory framework that we have is not in step with that. Whether the communications Bill, as an isolated piece of legislation, is capable of dealing with that as a larger question, I very much doubt, but it is an opportunity to make small gains, as I understand it. To be more specific, within the communications Bill, it may be that limited things, such as ensuring a Welsh voice within the Ofcom national board, and perhaps pressing for structural changes to the BBC Trust to allow for a Welsh sub-committee—it sounds so dreary, to make a recommendation that involves the term ‘sub-committee’. Nevertheless, my experience of the operation of the BBC Trust in Wales has been quite heartening. There is a real commitment by the member of the BBC Trust from Wales, but it is quite a difficult thing for one lone voice to achieve in a national framework like that, so a Welsh sub-committee could help.

[93] **Bethan Jenkins:** This is all hypothetical, of course, but would that have changed the situation that has now arisen with S4C and the BBC? If we had a strengthened voice from Wales on the trust, would we have been able to negotiate a better deal for S4C? It seems to me that a lot of the focus has been to criticise the member who is on the trust, but was there anything more that she could have done?

[94] **Professor Blandford:** No. You are absolutely right. Whether it would have changed it fundamentally is always open to question, but I cannot believe that quite such a problematic handling of the situation would have been possible if there had been a Welsh sub-committee. At the very least, the level of public debate would have been much higher in advance of the new arrangement.

[95] **Peter Black:** The other question that occurs to me is that you have done quite a lot of work in terms of small countries, and Wales is of course a small country, but in terms of the media, we do not have much of a national media presence; we tend to be broken down into regions, and there is a huge effect whereby we watch the English TV and a lot of the country is that way. Do other small countries offer better models for how media could be organised in Wales? If so, how would we get there?

[96] **Professor Blandford:** I am not sure that I would be quite as pessimistic as you first suggest about whether Wales has a national media.

[97] **Peter Black:** I was playing devil’s advocate.

[98] **Professor Blandford:** One of the significant things that came out of our quite short, snapshot look at fictional television drama, particularly focusing on the *Doctor Who* and *Torchwood* phenomenon, although not entirely on that, was the potentially unifying effect of that kind of high-profile international success. What people liked about that was that it was not inward-looking. What we were not getting was worthy Welsh programming that attempted in some self-conscious way to be unifying. In many ways, *Doctor Who* has little to

do with Wales. It is interesting to spot locations and so on, but I think that people liked that people were talking about *Doctor Who* internationally and understanding that it came from Wales.

[99] **Peter Black:** In a sense, here in our little bubble in Cardiff, we are nearly 13 years into a fledgling democracy, and yet we know that the understanding of what we do and the impact of that is very limited in terms of the wider public, particularly the further that you go from Cardiff. In terms of current affairs and news, we sense that the lack of a unified Welsh media is impacting on the understanding of devolution. Perhaps we are just being introspective, but the impact of Welsh devolution is being undermined because of that lack of a Welsh media.

[100] **Professor Blandford:** I would totally share that. Perhaps the answer is that we need a Welsh media that is capable itself of a certain amount of plurality. There is a spectacular BBC own goal, which it would fully admit to—not long after the last but one series of *Torchwood* finished, it was followed quickly by a bank holiday Monday screening of a drama, the name of which has gone straight out of my head, but it starred Trevor Eve and was supposedly set in the north of Wales in the slate-mining district, and all the accents were from the south Wales Valleys, and all the actors were from the south Wales Valleys. There was no sense at all that this was a programme set in north Wales, and yet, it was a perfect opportunity for the BBC to demonstrate its understanding of the plurality of Wales. I should hasten to add that this was a programme made entirely in London, but it would have been a simple matter to get right. I do not think it will happen again, to be honest. It was called *Framed*—it just came to me now. It was a spectacular example of that happening. So, if you are looking for a national media, it should be one that is capable itself of reflecting the diversity within Wales itself.

[101] **Peter Black:** I often complain about the UK media writing about Wales in their offices in London and thinking that we are still coal miners.

[102] **Professor Blandford:** *Doctor Who* and *Torchwood* have done a lot to change that image, quite seriously. It sounds like a trivial thing, but I am convinced it has done a lot to change that.

[103] **Bethan Jenkins:** On that positive note, unless we have any further questions, we would like to thank you for coming in today. It would be interesting for me if you could perhaps send us a note on some of those countries that we can take reference from. As we are focusing on solutions, that information would help us.

[104] **Professor Blandford:** I am happy to do that.

[105] **Bethan Jenkins:** Thank you for your time. We will send you a copy of the transcript to check over.

[106] Nesaf, yr ydym yn cymryd tystiolaeth gan Euryrn Ogwen Williams. Diolch am ddod i roi tystiolaeth ac am eich papur diddorol. Yr ydym yn ffocysu heddiw ar ddyfodol y cyfryngau. Yr ydym am roi'r cyfryngau yn eu cyd-destun hanesyddol ac edrych ar yr hyn sydd yn digwydd yn awr. Pe gallech ffocysu ar ble gallai Cymru fod a pha fath o gyfryngau yr ydym am eu gweld yn y dyfodol, byddai hynny o gymorth mawr. Felly, croesawn air o gyflwyniad.

Next, we will take evidence from Euryrn Ogwen Williams. Thank you for coming to give evidence and for your interesting paper. We are focusing today on the future of the media. We wish to place the media in their historical context and look at what is happening now. If you could concentrate on where Wales could be and what sort of media we would like to see in future, that would be a great help. So, we would welcome a few words of introduction.

[107] **Mr Williams:** Yr wyf yn ymddiheuro mai nodiadau bras gawsoch chi. Yr oeddwn ar fy ngwyliau pan dderbyniais yr e-bost. Felly, mae'n dangos mor dda mae technoleg yn gallu gweithio, bod ychydig o iPhone ac iPad yn galluogi rhywun i fod yn rhan o'r byd mawr.

[108] Teimlaf, ar y funud, ein bod mewn cyfnod mwy cyffrous, gyda mwy o bosibiliadau gennym nag erioed o'r blaen yng Nghymru, neu unrhyw wlad fechan. Mae gwledydd bychain â'u llywodraethau eu hunain yn gallu gwneud pethau yn y cyfnod hwn nad oedd yn bosibl o'r blaen. Yr wyf yn credu mai dyna'r dyfodol, a dyna lle, gobeithio, y bydd Cymru mewn pum mlynedd, oherwydd mae'r ffenestr sydd gennym yn fach. Nid oes gennym lawer o amser i wneud pethau. Ond mae'r hyn y mae'n rhaid ei wneud yn weddol syml, sef bod rhaid i'r Llywodraeth a'r Cynulliad gymryd y cyfle hwn o ddifrif i wneud i bethau ddigwydd, oherwydd mae gennym y bobl allan yn y byd a allai wneud iddo ddigwydd gydag ychydig yn unig o gyllid ychwanegol. Mae'r adnoddau ar gael, ond mae cyfrifoldeb ar y Llywodraeth i weld hwn fel rhywbeth pwysig a rhywbeth y gall fod yn rhan ohono.

[109] **Bethan Jenkins:** Yr ydym wedi cael tystiolaeth y prynhawn yma yn dweud efallai nad yw Llywodraeth Cymru wedi bod yn ddigon ymrwymedig i edrych ar y cyfryngau neu i fod yn rhan o drafodaethau â Llywodraeth San Steffan yn hynny o beth. Beth yw eich barn chi ar hynny? A ydych yn credu y dylem gael mwy o fewnbwn yng Nghymru i ddyfodol darlledu, er enghraifft, drwy ddatganoli elfennau o ddarlledu neu'r holl agenda, inni allu craffu ar gyfryngau a'u datblygu?

2.15 p.m.

[110] **Mr Williams:** Byddwn yn cytuno'n llwyr â hynny. Credaf fod angen datganoli. Un o'r problemau gyda'r sefydliadau traddodiadol sydd gennym yn gofalu am y cyfryngau yng Nghymru ar hyn o bryd yw nad ydynt wedi byw drwy ddatganoli eto. Maent yn dal i fyw yn y 1990au cynnar, a'r 1980s cynnar yn achos rhai. Yn sicr, nid ydynt wedi dod drwy 1999 eto. Mae

Mr Williams: I apologise that you only received rough notes. I was on holiday when I received the e-mail. Therefore, it shows how well technology can work, that a bit of iPhone and iPad enable one to be part of the big wide world.

I feel, at the moment, that we are in a more exciting time, with more possibilities than we have ever had in Wales, or in any small country. Small countries that have their own governments can do things at this time that were not possible before. I believe that that is the future, and that is where, I hope, that Wales will be in five years' time, because the window of opportunity open to us is narrow. We do not have much time to do something. However, what we have to do is relatively simple, in that the Government and Assembly must be serious about seizing this opportunity to make things happen, because we have the people out there who could make it happen with only a little additional funding. The resources are available but there is a responsibility on the Government to consider this as something important and something that it can be part of.

Bethan Jenkins: We have received evidence this afternoon saying that the Welsh Government has perhaps not been committed enough to consider the media or to be part of discussions with the Westminster Government in that regard. What is your opinion on that? Do you believe that we should have greater input in Wales into the future of broadcasting, for example, by devolving elements of broadcasting or the whole agenda, to enable us to scrutinise and develop the media in Wales?

Mr Williams: I would agree completely with that. I believe that it needs to be devolved. One of the problems with the traditional institutions that are responsible for the media in Wales at the moment is that they have not lived through devolution yet. They are still living in the early 1990s, and the early 1980s, in some cases. They certainly have not come through 1999 yet. Realising that is vital. Had

sylweddoli hynny yn hollbwysig. Pe buasai'r Cynulliad a Llywodraeth Cymru wedi gafael yn y peth, yna ni fyddai rhai o'r pethau a ddigwyddodd dros y flwyddyn neu ddwy ddiwethaf wedi digwydd. Mae yma syniad fod gan Gymru gonsŷrn democrataidd am y cyfryngau sy'n bodoli yma—nid i'w rheoli na dweud wrthynt beth i'w wneud, eithr bod rhaid creu amgylchiadau lle gall y cyfryngau hynny flodeuo a datblygu, a gwasanaethu'r system ddemocrataidd yr ydym yn rhan ohoni. Credaf felly mai gwendid ydyw nad yw'r Cynulliad na Llywodraeth Cymru wedi bod yn gysylltiedig â hyn dros y cyfnod diweddar.

[111] **Bethan Jenkins:** Cyn symud ymlaen at Aelodau eraill, hoffwn ofyn cwestiwn am S4C. Dywedasoeh ryw ychydig yn eich tystiolaeth mai gwastraff amser fyddai ffocysu ar strwythurau, yn enwedig o ran annibyniaeth S4C. Yn wir, gwnaethoch y pwynt fod ITV gynt wedi bod yn rhan o strwythurau gweithredu S4C. A allwch ehangu ar eich meddylfryd yn hynny o beth? Sut gallwn ni fynd i'r afael â'r problemau sy'n bodoli ar hyn o bryd rhwng y BBC ac S4C, oherwydd mae'n ymddangos fel sefyllfa amhosibl i'w datrys rhwng yr hyn y mae'r BBC am ei weld, o ran ei reolaeth ar y bwrdd gweithredu, a'r hyn y mae S4C yn mynnu ei gael, sef annibyniaeth Iwyr ar y BBC?

[112] **Mr Williams:** Dyma enghraifft berffaith o'r broblem nad yw Llywodraeth Cymru yn rhan o'r broses. Wrth edrych yn ôl, yr hyn sy'n fy mhoeni fwyaf am S4C yw ei bod wedi cael ei gwleidyddoli gymaint. Nid yw pobl yn ystyried S4C bellach fel sianel deledu, ond fel rhyw bwnc gwleidyddol pwysig ag egwyddorion sylfaenol. Mewn gwirionedd, dros y blynyddoedd, ychydig iawn o egwyddorion fel y cyfryw sydd wedi mynd yn groes i'r broses greadigol. Mae hynny'n digwydd yn awr wrth i'r ffocws symud at wleidyddiaeth yn hytrach nag ar greadigrwydd. Yr oeddwn, fel mae'n digwydd, yno ar y dechrau—yr wyf yn ddigon hen i ddweud hynny. [*Chwerthin.*] Yn 1981-82, yr oedd awdurdod o bump o bobl. Yr oedd y cadeirydd yn annibynnol, ynghyd ag un aelod annibynnol arall, ac o'r tri aelod arall, yr oedd un o'r BBC, a oedd yn cyfrannu 10 awr o raglenni, un o'r Awdurdod Darlledu Annibynnol, a oedd yn darparu'r

the Assembly and the Welsh Government taken hold of this, then some of the things that have happened over the past year or two would not have happened. There is this notion that Wales has a democratic concern for the media that exists here—not to control them or tell them what to do, so much as there is a need to create the circumstances in which the media can flourish and develop, and serve that democratic system that we are a part of. I therefore believe that it is a weakness that the Assembly or the Welsh Government have not been engaged in this in recent times.

Bethan Jenkins: Before moving on to other Members, I would like to ask a question on S4C. You mentioned briefly in your evidence that it would be a waste of time to focus on structures, particularly with regard to the independence of S4C. Indeed, you made the point that ITV used to part of S4C's operating structures. Could you expand on your thinking in that regard? How can we address the problems that currently exist between the BBC and S4C, because there seems to be a stalemate between what the BBC wants to see, in terms of its control of the executive board, and what S4C demands, which is complete independence from the BBC?

Mr Williams: This is a perfect example of the problem of the Welsh Government not being part of the process. In looking back, the thing that concerns me most about S4C is that it has been politicised so much. People do not now consider S4C as a television channel, but as an important political subject with fundamental principles. In truth, over the years, very few principles of that kind have gone against the creative process. However, that is happening now with the focus moving onto politics as opposed to creativity. I happened to be there at the beginning—I am old enough to say that. [*Laughter.*] In 1981-82, there was an authority of five people. The chair was independent, along with one other independent member, and of the other three members, one was from the BBC, which contributed 10 hours of programming, one from the Independent Broadcasting Authority, which provided the funding, and

arian, ac un arall o Channel 4, a oedd yn rhoi rhaglenni Saesneg am ddim. Nid oedd hynny'n broblem, ac ni fu iddo arafu'r broses o gychwyn S4C. Fe roddodd hynny gryfder mawr i'r gyfundrefn.

[113] Rhaid gweld hyn fel cyfle arall. Fodd bynnag, er inni gael amser eithaf da er 1991, pan newidiodd pethau, y peth anoddaf yw ariannu sianel deledu o'r pwrs cyhoeddus yn uniongyrchol. Yr oedd hynny'n broblem fawr yn 1991, er nad oedd neb yn siarad rhyw lawer amdano. Yr oedd llawer iawn mwy o ryddid cyn 1991, pan oedd yr arian yn dod o'r system, ac S4C yn rhan o'r broses o godi'r arian, trwy hysbysebu, a oedd yn golygu rhywbeth ar y pryd. Yr oedd y doethineb hwnnw rhwng y gwahanol bartneriaid yn S4C yn gwneud i'r peth ddigwydd. Ymddiheuraf am dreulio gormod o amser yn trafod y gorffennol.

[114] **Bethan Jenkins:** Mae'n hawdd gwneud hynny.

[115] **Mr Williams:** Rhaid edrych ymlaen yn awr a rhaid bod yn adeiladol. Gresynaf mai'r Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon yn Llundain, y BBC ac S4C oedd yn gorfod trafod yn yr achos hwn, oherwydd byddai wedi bod yn llawer gwell pe buasai'r Cynulliad yn rhan o'r trafodaethau hynny. Mae'n amlwg bod angen i'r BBC gael rhyw fath o reolaeth, oherwydd Ymddiriedolaeth y BBC sy'n atebol i'r cyhoedd am y cyllid a ddaw o'r drwydded.

[116] Felly, mae'n rhaid cael cynrychiolaeth o'r BBC ar y corff sydd yn rhedeg S4C. Mae trafodaeth ynglŷn â bod ar y tîm rheoli ac ati, ond nid dyna'r peth pwysicaf yn y byd. Y peth pwysicaf yw bod arian yn dod i mewn, bod yr arian hwnnw'n lân, heb ddylanwad gwleidyddol arno, a'i fod yn dod o'r system ddarlledu. Felly, mae perthynas â'r BBC yn hollol ddoeth. Y cyfan sydd i'w gweithio allan yw faint o ddylanwad y bydd yn ei gael. Mae gennym ddatganiadau clir gan gadeirydd a chyfarwyddwr cyffredinol y BBC, gan gynrychiolydd yr ymddiriedolaeth o Gymru, gan Hunt, Vaisey a phawb, sy'n dweud y bydd S4C yn rhydd yn greadigol i allu gwneud yr holl bethau hyn. Yr wyf yn gweld dêl fan hyn. Efallai fy mod yn bod yn rhy simplistig, ond dylid ei

the other one was from Channel 4, which provided English-language programmes for free. That was not a problem, and it did not slow down the process of starting up S4C. It gave great strength to the system.

We must see this as another opportunity. However, although we have had quite a good time since 1991, when things changed, the most difficult thing is to fund a television channel directly from the public purse. That was a serious problem in 1991, although no-one spoke a lot about it. There was much more freedom pre 1991, when the money came from the system, and when S4C was part of the process of raising that money, through advertising, which actually meant something then. That wisdom between the different partners in S4C made it happen. I apologise for spending too much time talking about the past.

Bethan Jenkins: It is easily done.

Mr Williams: We must look forward now and we must be constructive. I regret that the Department for Culture, Media and Sport in London, the BBC and S4C had to discuss this, because it would have been much better if the Assembly had been part of those discussions. It is clear that the BBC needs some sort of control, because the BBC Trust is accountable to the public for the funding that comes from the licence fee.

So, there needs to be representation from the BBC on the body that runs S4C. There are discussions about being on the management team and so on, but it is not the most important thing in the world. The most important thing is that that money is coming in cleanly, free from political influence, and that it comes from the broadcasting system. So, the relationship with the BBC is very wise. All that we need to work out is how much influence it will have. We have clear statements from the chair and the director general of the BBC, the representative of the trust in Wales, from Hunt, Vaisey and everyone, that S4C will be creatively free to do all these things. So, I see a deal there. Maybe I am being overly simplistic, but it should be done quickly, because the whole

wneud yn gyflym oherwydd bydd yr holl beth yn newid eto pan fydd y Papur Gwyn a'r Papur Gwyrdd yn cael eu cyhoeddi ddiwedd y flwyddyn, a dechrau'r flwyddyn nesaf. Byddwn yn sôn am bethau hollol wahanol bryd hynny. Rhaid sicrhau bod gan S4C y cyllid i ariannu rhaglenni o'r sector annibynnol dros y blynyddoedd sydd i ddod. Ni fyddwn yn datrys popeth hyd ddiwedd amser ar hyn o bryd.

thing will change again when the White Paper and Green Paper are published at the end of the year, and the start of next year. We will be talking about something completely different then. We need to ensure that S4C has the funding to fund programmes from the independent sector over the years to come. We are not going to sort everything out for all time at this point.

[117] **Bethan Jenkins:** Edrych ar greadigrwydd y sianel, yn hytrach na chanolbwyntio ar yr hyn sydd yn digwydd o ran y cysylltiad â'r BBC, yw eich blaenoriaeth, felly.

Bethan Jenkins: Looking at the channel's creativity, rather than concentrating on what is happening with regard to the connection with the BBC, is your priority, therefore.

[118] **Mr Williams:** Yn sicr.

Mr Williams: Certainly.

[119] **Peter Black:** In a sense we have had a situation where we have had a distinctively Welsh channel in S4C, sitting within the context of a devolved Wales for the past 12 years, and the whole public sector in Wales has become more accountable and more transparent, but S4C has not been part of that process. That has led us to the current situation, in which S4C is, effectively, fighting for its independent future. In terms of how we go forward, how do we put that right? Is it important that we get that greater accountability to the Assembly as part of these new arrangements?

[120] **Mr Williams:** It is. The Assembly needs to be a key player over the next five years, and there is about six to nine months to get in the game. It has to be a key player, not so much on institutional matters, but in ensuring that the creativity and plurality that is out there engages with the people of Wales. There is a role for the Assembly, be that on an annual report basis or whatever, and it should be a statutory role, not a matter of 'wouldn't it be nice if'. It has to be put in statute that the Assembly has a part to play.

[121] **Peter Black:** So, we should be pushing for the communications Bill to say that we may not be responsible for it, but that there should be a line of accountability here, and that, in a sense, we should perhaps act as the agents for the Department for Culture, Media and Sport.

[122] **Mr Williams:** Absolutely. The past year has shown that the DCMS is not that interested. That is now going to become more difficult with more deregulation coming in the Green Paper and then the White Paper. Its interest will diminish so much that you will find this isolated institution living in the past really, when all this new technology is demanding that it should move ahead.

[123] **Peter Black:** Moving on a bit from that, we have this agenda now from the UK Government of local television. We have a situation where BBC Wales, even with the cuts, is still the major player in Wales, and S4C will be there as well as part of the BBC family, and we also have ITV Wales, which, after initial fears, appears to have consolidated itself in terms of the Welsh media, and news and current affairs in particular, contrary to our expectations of a few years ago. How do the new developments in local television, and the wider media content built on broadband and new technology, fit into that picture?

[124] **Mr Williams:** We need to be excited about the possibilities. It is still pretty vague how it will all pan out. It will create new partnerships in Wales, and that is part of the excitement. It will make universities a part of media partnerships. There is always a danger

that the current media will get caught out by it—the Keynesian idea that new ideas are not the problem; the problem is getting rid of the old ones. It is probably only Cardiff that is big enough to sustain local television commercially. However, every community can produce a website, as it requires a very small investment, and, even in these hard times, it would be worth the Assembly looking into that to enable small developments in communities. The internet gives you a national and international channel, and through local community partnerships you could build something that, in five years' time, could be quite dramatic. At the moment, it is all a bit vague, although I have been involved in bringing people together for local television. You need to base it on realistic expectations—nobody is going to make any money out of it. On the other hand, there are possibilities; we produce an enormous amount of content in Wales, video in particular. There is a lot of Welsh-language content on YouTube. This Assembly pays an awful lot for videos, as do councils. The creative process is happening, and this would be an opportunity to share that creativity around Wales.

[125] **Peter Black:** It is of very variable quality, is it not?

[126] **Mr Williams:** It is, but it is all in the eye of the beholder.

[127] **Peter Black:** I am particularly impressed by the quality of community radio. There are some very good community radio stations out there, with high-quality output. In a sense, they are operating at a lower level than local radio. Is there a potential for local television to operate at that sort of lower level as well?

[128] **Mr Williams:** I imagine that that would be the level at which it would operate. I imagine that there would be a lot of commercial stuff in Cardiff—for example, you could end up having a programme from John Lewis paid for by John Lewis, which would look good. However, it would be community radio, but with cameras, which would give it the edge and make it look like the community in which it is based.

[129] **Bethan Jenkins:** Yr wyf yn deall yr hyn mae Peter a chithau wedi dweud am radio cymunedol. Fodd bynnag, o ran teledu lleol, deallaf nad oes unrhyw ganllawiau ieithyddol wedi'u hatodi i'r cynlluniau ar hyn o bryd. Yr ydym yn ymwybodol o'r problemau gyda Radio Ceredigion ar hyn o bryd. Yng nghyd-destun datblygu teledu lleol drwy gyfrwng y Gymraeg, a'r toriadau i S4C, ai hwn yw'r amser gorau i siarad am yr agenda hwn o ran darpariaeth cyfrwng Cymraeg?

Bethan Jenkins: I understand what Peter and you have said about community radio. However, in terms of local television, I understand that there are no linguistic guidelines attached to the schemes at present. We know about the problems with Radio Ceredigion at the moment. In the context of developing Welsh-medium local television, and with the cuts to S4C, is now the best time to talk about this agenda in terms of Welsh-medium provision?

2.30 p.m.

[130] **Mr Williams:** Yn bersonol, ni fyddwn yn crybwyll yr agenda hwnnw o gwbl. Mae pwynt yn dod lle mae'n rhaid i ni roi ein cap ar ein pennau yn hytrach na'i ddal allan am arian. Yn y sefyllfa hon, mae angen inni fuddsoddi mewn unigolion sydd â rhywbeth i'w ddweud, ac wedyn bydd hynny'n ffeindio ffordd o gael ei fynegi. Meddylfryd cul yn deillio o gyfnod pan nad oedd sbectrwm ar gael yw hynny. Ni fyddai mynd i'r cyfeiriad hwnnw'n gwneud unrhyw

Mr Williams: Personally, I would not mention that agenda at all. You reach a point where you have to put your cap on your head instead of holding it out for money. In this situation, we need to invest in individuals who have something to say, and then that will find a way of being expressed. That is a narrow mindset arising from a time when a spectrum was not available. Moving in that direction would do the Welsh language no good at a time when that spectrum is

les i'r iaith ar adeg pan fo'r sbectrwm hwnnw ar gael, gan gynnwys y we. Ni ddylem fod yn mynnu cael awr y dydd er ei fwyn ei hun. Yn hytrach, mae'n rhaid inni sicrhau bod unigolion creadigol yn cael cyfle i roi pethau lan—nid oes unrhyw un i'w hatal. Yr unig broblem yw ceisio dod o hyd i'r pethau hyn. Mae dod o hyd i unrhyw beth Cymraeg ar YouTube yn anodd. Felly, mae eisiau gwenud gwaith i sicrhau bod modd tynnu'r pethau hyn ynghyd. Yn y dyfodol, ni fydd pobl yn tueddu gwyllo deunydd ar yr adeg pan fydd yn cael ei ddarlledu. Ymhen tair i bedair blynedd, bydd pawb yn gwyllo cynnwys lle bynnag y maent ac ar unrhyw adeg, gan ddefnyddio eu ffonau symudol, eu dyfeisiau iPad ac yn y blaen. Felly, mae ceisio dweud bod yn rhaid inni gael awr o ddarlledu yn Gymraeg rhwng 7.00 p.m. ac 8.00 p.m. yn wastraff amser. Yr hyn sydd eisiau yw llawer o bobl yn cynhyrchu llawer o gynnwys yn y Gymraeg, gan y bydd modd ei gael allan. Dyna fy marn i, beth bynnag. Nid wyf yn disgwyl i bawb gytuno â mi.

[131] **Bethan Jenkins:** Mae'r meddylfryd hwnnw'n wahanol i feddylfryd y bobl hynny sy'n dweud na fydd yn digwydd, gan na fydd rheoleiddio mewn perthynas â darlledu teledu lleol. Mae'r sefyllfa'n wahanol iawn i'r ddadl am radio cymunedol, lle mae'r oriau darlledu'n bwysig o ran cael rhyw fath o gynrychiolaeth ieithyddol.

[132] **Mr Williams:** Yn sicr. Credaf fod yn rhaid inni fagu hyder yn awr yn ein gallu i wneud y pethau hyn. Mae gennym unigolion talentog—actorion a chynhyrchwyr sy'n gweithio ac yn cael eu hadnabod ar draws y byd—ac mae gennym entrepreneuriaid talentog sydd â chwmnïau bach. Dyna'r cyfeiriad cywir inni ei ddilyn. Mae dyddiau rheoleiddio yn dirwyn i ben, a dweud y gwir. Ni fyddwn yn gallu dweud, 'Dyna'r bwch'. Y cyfan y byddwn yn gallu ei wneud yw dweud, 'Ewch i'r cyfeiriad hwnnw.'

[133] **Bethan Jenkins:** Janet, do you have a question on this?

[134] **Janet Finch-Saunders:** No, I am fine, thank you.

[135] **Peter Black:** I wish to refer to the Hargreaves report and some related issues. I do not want to strike a negative note, but he identified a number of barriers that prevent Wales from taking advantage of digital opportunities in the media. These include a lack of motivation

available, including the internet. We should not be insisting on an hour a day for its own sake. Instead, we have to ensure that creative individuals have an opportunity to put these things up—there is no-one to stop them. The only problem is trying to find these things. Finding anything in the Welsh language on YouTube is difficult. So, we need work to be done to ensure that these things can be collected together. In the future, people will not tend to watch material at the time when it is broadcast. In three or four years' time, everyone will be watching content wherever they are and at any time, using their mobile phones, their iPads and so forth. Therefore, trying to say that we must have an hour of broadcasting in Welsh between 7.00 p.m. and 8.00 p.m. is a waste of time. What we need is a lot of people producing a lot of content in Welsh, as it will be possible to get it out there. That is my opinion, anyway. I do not expect everyone to agree with me.

Bethan Jenkins: That mindset is different from the mindset of those who say that it will not happen, as there will not be regulation in relation to local television broadcasting. The situation is very different to the debate surrounding community radio, where broadcast hours are important in terms of securing some form of linguistic representation.

Mr Williams: Certainly. I believe that we now need to develop confidence in our ability to do these things. We have talented individuals—actors and producers who are recognised and work across the world—and we have talented entrepreneurs who have small firms. That is the right direction of travel for us. The days of regulation are drawing to a close to be honest. We will not be able to say, 'That is the box'. All that we will be able to do is say, 'Go in that direction.'

among companies, a lack of support from broadcasters and a lack of expert business support from the Welsh Government. Do you think that those concerns are valid?

[136] **Mr Williams:** Absolutely. Uncomfortable though it was to restate that, I thought that he had got at the issue quite independently. One of the negatives that came out of having S4C is that we have tended to keep within a comfort zone. There are barriers that arise from that. That was not helped by the demise of ITV during a critical period. Previously, S4C was a partnership between the BBC, ITV and independent producers. In the early days, ITV was usually the initiator or innovator. It was not necessarily the organisation that did things best, but it innovated a lot. The BBC then had to do better. Therefore, the dynamics were that there was a competition between those organisations, with the independent producers coming in in between them.

[137] We kind of settled into believing that that would carry on forever. That has become a barrier. There is much talk now that there should be more small producers, but that is missing the point entirely. It is about innovation and the young entrepreneurs and graduates who need to be given the opportunity and the motivation to go for it. We tend to think in the traditional broadcast media that commissioning is the way to go, but in 1981, no-one commissioned a programme—the term had never been used. It was a Channel 4 concept and, as we were working very closely with Channel 4, we decided that we would call ourselves a publishing house. Everybody laughed at it. If you read the papers from that time, you will see that everybody thought that it was total lunacy to have commissioning and publishing and all that. Broadcasters broadcast: they tell people what they want. That model is 30 years old. Channel 4 is turning that on its head, and it is now more about small investments in people, and new, innovative companies.

[138] We almost had a games industry in Wales; it was that close. Broadsword Games Ltd in Abersytwyth had huge turnover and was doing all the Nintendo games, but it went phut because it had no intellectual property rights. When the squeeze came, Nintendo said, ‘Thank you very much, but we have no more work for you’. That is what we are in danger of doing here—there is no more work so companies wither on the vine. However, we should be doing what Ian was saying and get the innovators motivated and funded, even by small amounts. You are not talking about £74 million to fund a channel now. You are talking £5,000 here or £10,000 there. That would have meant that Broadsword could have carried on.

[139] **Peter Black:** Are we talking about public funding here?

[140] **Mr Williams:** It depends. At this stage, because the engagement has not taken place, there has to be private and public funding. The independent sector that has grown up over the last 30 years is a very stable sector. Not many sectors could have withstood the turmoil of the last 12 months—it is withstanding it, although it is a bit of a struggle. You could bring the sector into this equation, and say that it should be the one—if it has any money left—that should be investing, possibly in a dialogue. You do not want people to say ‘I want this or that programme.’ It is not a sweet shop any more. What you want is exactly what any venture capitalist would do. You want them to say that it is worth buying something because they know that it is going to grow and explode.

[141] **Peter Black:** I may be wrong, but I get the impression that, of the independent sector, only one or two companies have broken out of Wales in terms of delivering content. More could do that.

[142] **Mr Williams:** That is right. It has been too comfortable. In some ways, the traditional attitude has been ‘Why change?’ However, now that the change has to be made, there is very little time to do it all.

[143] **Peter Black:** One of the recommendations that we might want to look at would be to say to the Welsh Government that it needs to encourage the independent sector, offering support for it to bring in innovators to try to expand its content and look at widening its horizons.

[144] **Mr Williams:** Absolutely.

[145] **Bethan Jenkins:** Sori am fynd yn ôl eto at S4C, ond y broblem â'r drafodaeth hon yw bod llawer o'r cwmnïau efallai—ac yr wyf yn pwysleisio 'efallai', rhag ofn i S4C gysylltu â mi ar ôl y cyfarfod—yn mynd i golli'r rhaglenni sy'n cael eu comisiynu ar hyn o bryd. Mae rhai ohonynt wedi dweud wrthyf ei bod yn ddigon teg bod rhaid iddynt edrych allan i'r byd i gomisiynu gwaith mewn gwledydd eraill, ond os ydynt am golli craidd y gyllideb honno, y maent wedi dibynnu arni ers blynnyddoedd, sut y byddant yn gallu datblygu y tu allan i Gymru? Dyna'r cydbwysedd sydd yn rhad ei gael a'r her i'r Llywodraeth a'r sector annibynnol.

Bethan Jenkins: I am sorry for returning to S4C, but the problem with this discussion is that some of these companies perhaps—and I emphasise 'perhaps', in case S4C gets in touch with me after the meeting—will lose current programme commissions. Some of them have told me that it is fair enough that they must look out to the wider world to get work commissioned in other countries, but if they lose the core of that budget, on which they have depended for years, how will they be able to develop outside Wales? That is the balance that needs to be struck and the challenge for the Government and the independent sector.

[146] **Mr Williams:** Yr wyf yn cytuno'n llwyr. Dylai'r Cynulliad fod yn rhan o'r drafodaeth hon. Yr wyf yn credu ei bod yn bwysig, gan fod hwn yn ddiwydiant pwysig. Er y dylai £74 miliwn fod yn ddigon i gynnal y sector, bydd yn rhaid i rai cwmnïau fynd tu allan i Gymru i chwilio am waith ychwanegol; mae rhai ohonynt eisoes yn gwneud hynny. Ni allwn ddweud nad yw hynny'n ddigon i gynnal sector. Fodd bynnag, os nad yw'n cael ei ddefnyddio'n strategol, gallem golli ei werth yn y farchnad.

Mr Williams: I completely agree. The Assembly should be part of this discussion. I believe that that is important, because this is an important industry. Although £74 million should be enough to maintain the sector, some companies will have to go outside Wales to find additional work; some are already doing that. We cannot say that that is not enough to maintain the sector. However, if it is not used strategically, we could lose its value in the market.

[147] **Bethan Jenkins:** Mater arall yr hoffwn ei godi yw bod rhai o'r cwmnïau mawr yn ennill llawer o'r contractau. Sut mae rhoi cyfle i'r cwmnïau bach ddatblygu er mwyn iddynt ddod yn gwmnïau mawr yn y dyfodol, yn hytrach na bod y rhai mawr yn dominyddu'r agenda o hyd?

Bethan Jenkins: Another matter that I would like to mention is that some of the large companies are winning a lot of the contracts. How can small companies be given the chance to develop, so that they become larger companies in the future, rather than having the large companies dominate the agenda all the time?

[148] **Mr Williams:** Nid wyf yn credu eu bod yn fawr.

Mr Williams: I do not think that they are large.

[149] **Bethan Jenkins:** Maent yn fawr yng nghyd-destun Cymru.

Bethan Jenkins: They are large in the context of Wales.

[150] **Mr Williams:** Rhywbeth Cymreig iawn yw hynny. Os nad oes cwmnïau mawr, nid oes economi. Dyna'r unig beth y gallwn seilio'r economi arno. Mae gan y cwmnïau

Mr Williams: That is a very Welsh thing. If you do not have large companies, you do not have an economy. That is the only thing on which we can base the economy. The large

mawr gyfrifoldeb i ddod â'r bobl newydd hyn yn eu blaenau, er enghraifft drwy gysgodi. Dyna sut mae'r byd hwn yn gweithio, ac nid oes rheswm i feddwl y gallem weithio mewn unrhyw ffordd wahanol. Mae gan gwmnïau sydd â throsiant penodol gyfrifoldeb i edrych ar ôl pethau y tu hwnt i'r rhent, y car a'r gwyliau moethus yn unig.

companies have a responsibility to bring on these new people, for example by shadowing arrangements. That is how this world works, and there is no reason to think that we could work in a different way. Companies with a certain turnover have a responsibility to look after things other than just the rent, the car and the exotic holidays.

[151] **Peter Black:** Whose responsibility is it to ensure that that £74 million is spent strategically? [*Laughter.*]

[152] **Mr Williams:** I would hate to think that I have even given the impression that the Government or the Assembly could be involved in that. However, clearly, there are strategic objectives, and by bringing together the programme makers, the Government, the BBC and S4C to have that dialogue, the strategy would emerge. S4C has always spent strategically, and it still does.

[153] **Bethan Jenkins:** On that note, we will bring the evidence session to an end.

[154] Diolch yn fawr am eich tystiolaeth. Byddwn yn anfon trawsgrifiad atoch ichi edrych ar gywirdeb yr hyn a ddywedasoch, nid ichi newid yr hyn a ddywedasoch. Os oes gennych unrhyw sylwadau wrth inni drafod â mwy o bobl, mae croeso ichi anfon e-bost atom neu gysylltu â ni.

Thank you for your evidence. We will send you a transcript for you to check for accuracy, not to change what you have said. If you have any comments on our discussions with other individuals, you are welcome to e-mail or contact us in the near future.

[155] **Mr Williams:** Byddwn i wrth fy modd. Diolch yn fawr am fy nghael.

Mr Williams: I would be pleased to do so. Thank you for having me.

[156] **Bethan Jenkins:** We will now bring the meeting to a close.

Daeth y cyfarfod i ben am 2.44 p.m.

The meeting ended at 2.44 p.m.