

POSITION PAPER

Public Service Television and Radio in Hungary

In Hungary, as a country in transition, the public service broadcasting sector started to form in praxis in year 1989, but based on law in 1996. In 1996 started in Hungary the dual system of broadcasting also, becoming a broadcasting regulation in power. The spectrum of frequencies before and after that year was and is now controlled by the State.

The legislation tried ensuring of independence of civil service broadcaster, however political and commercial pressures remain a fact of life. Public service broadcasting (radio and television) enjoy special esteem at policy-making level, being considered a vital element of democracy and part of the Hungarian culture.

The existence of commercial broadcasters shook the monopoly of emergent public service broadcasting and resulting in sharp drops in viewership and listeners. Moreover the public service broadcasters lack funding, and face political interference and pressures.

Yet, the digitalisation and convergence of communication and information technologies and the competition from commercial broadcasters have created pressure on public service broadcasting to re-define its specific remit under new circumstances. The digitalisation is likely to sharpen competition and boost diversity and pluralism. At the same time is posing new challenges to public service broadcasting and the existing regulatory frameworks. The digitalisation in Hungary seems to be a slow process due to lack of funding and, policy and legal frameworks. Hopefully the citizens will reap the benefits of this change in terms of a wider choice of programming and platforms, in terms of the quality, of ununiversally available content, without losing the achievements of traditional public service broadcasting.

1. The current state of civil service broadcasting

1.1 Context

During communism television and the radio were used as a mouthpiece of the single ruling party. With the collapse of communism in 1989 broadcasting entered a new era. In the early 1990's, post communist governments started to change the national broadcasting system trying to open the market up to private players, and at the same time taking steps to transform the state broadcaster into something more independent.

In Hungary, ever since the political change of 1989-1990, the country's media landscape has been the front of such a conflict between political elites and journalists over the proper function of the media in a pluralistic and open society should be. This slowed down passing broadcasting legislation, which was first enforced only in 1996. Liberalisation of the market was also belated, with the first private television operators being licensed only in 1997, and the first private radios started in 1998.

The „media-law” because of the huge amount of the compromises built in during the process, lasting six years had and has a lot of flawed points and contradictions. What is more in Hungary this law can be changed with 2/3 parliament members vote, and in the last 11 years there was no chance to reach that ratio.

A law from the changing to the digital broadcasting was accepted in the parliament this year, but the old one must be altered and upgraded.

1.2 The main broadcasters and its position in the market

There are in Hungary two television broadcasters: the MTV and the Duna TV, both of them are one-man joint stock companies run by Hungarian Television Public Foundation; both of them have two channels. One of the MTV channels (m1) is broadcasted terrestrially and the other one (m2) and both of the Duna's (duna, duna2) are broadcasted by satellite.

86 % of Hungarian households can receive the program of the terrestrial channel, approximately 60% of them can receive m2 and duna, respectively duna2 about 40%.

The two country-wide broadcasted commercial television broadcaster, the RTL klub and the TV2 can reach 86% of the households. About 80 other regional TV broadcaster working in Hungary.

The public service radio broadcaster, Magyar Rádió has three channel. Kossuth, Petöfi and Bartok. The Kossuth channel, was and is the main radio channel in Hungary broadcasting news and cultural programs; Petöfi channel is an entertaining channel and the Bartok channel sending classical music and high culture.

There are in Hungary two country-wide commercial radio broadcaster, Danubius Radio and Slager Radio. Above that exist also 140 regional or thematic radio.

Roughly share of the TV broadcaster as follows:

RTL klub 30%, TV2 30%, MTV 20%, Duna Tv 2% (but Duna Tv first broadcasting program via satellite for the Hungarian people living outside Hungarian frontier!), that means the top three channels audience share is 80%. Share of the radio broadcaster: Kossuth radio 22%, Petöfi radio 12%, Bartok radio 2%, Danubius radio 30%, Slager rádió 29%.

The penetration of cable in Hungary is ~60% the satellite 5.2% and the ratio of households which can receive only terrestrial broadcast is 37%.

Statistical data shows, that citizens in Hungary watching Tv most avid in Europe. In Hungary the average viewing time for adults, Monday to Sunday is 274 minutes per day. There are in Hungary 3,863 thousands households from them 3,785 thousands has at least 1 TV set (that is 98%).

1.3 Construction and structure of the media market

In Hungary the broadcasting regulator is the National Radio and Television Commission (Országos Rádió és Televízió Testület = ORTT). This is an independent entity under the supervision of Parliament. President of the Republic and Prime Minister jointly appoints at least 5 members, for 4 years elected by Parliament, at the proposal of parliamentary fractions of political parties. They cannot be recalled. The funding of Commission coming from state budget.

The National Radio and Television Commission is the broadcasting regulators in Hungary for the public and private broadcasters. Main regulatory powers:

- licensing

- supervising and monitoring

- commenting on draft legislation on frequency management; and main

sanction powers:

warnings
suspension of broadcasting
fines and penalties
termination of broadcasting.

Governance structure of public service television broadcasters:

both MTV and Duna TV are governed by board of trustees (executive committee and ordinary members). Number of trustees at MTV are 29, at Duna TV are 31. The Executive Committee (at least 8 members) is delegated by the coalitions of parliament, half of them by the Government and other half by opposition. Ordinary members delegated by civil society. The length of terms for Executive Committee is 4 years, for Ordinary members 1 year. The mandate of the Executive Committee of the Board of trustees may be withdrawn prior to its expiry by parliament, on the competent parliamentary committee. Parliament decides on this issue with a two-thirds voting ratio of the attending MP's. For the ordinary members, the decision to terminate the member's mandate is taken by the delegating organisation.

The main public service obligations imposed on public service broadcasters:

- to regularly, comprehensively, impartially, faithfully and exactly inform of domestic and international events of public interest;
- to ensure the diversity of programme items and viewpoints, and the presentation of minority opinions, and the satisfaction of the interests of a wide range of audiences;
- to take special care to cherish pieces of universal and national cultural heritage, and to ensure cultural diversity;
- to show programmes which serve the physical, intellectual and mental development of minors;
- to present the values of churches and religions national, ethnic and other minority cultures;
- to give access to important information to groups or individuals who are in a disadvantageous position on account of their age, physical, mental and psychic condition;
- to present programmes which show the social economic and cultural life of the various regions of the country.

Main public service obligations imposed by law on commercial television:

- Broadcasting „public programmes” in at least 10% of the daily programme (except for specialised channels).
- Public programmes of at least 25 minutes must be aired in primetime.
- Airing at least 20 minute-long daily newscast.

2. Symptoms to be improved in the field of public service broadcasting in Hungary

2.1 The „low of media” more than 10 years old.

Besides political and economic pressures, another problem that broadcasting regulators have faced is the lack of sufficient powers to enforce regulations or proactively regulate the market.

2.2 All public service broadcaster has financial shortage.

Public service broadcasters in Hungary, except the newly established Duna TV, employ a couple of hundred employees, far more people than private television (and radio) stations in the similar volumes of programming. For example the MTV employ some 1600 people, the commercial television stations only up to 400 employees.

The public service TV has a half time enabled by law for sending advertisement as the commercial TV's.

The financial independence of public service broadcasting can be ensured through establishing a stable and sufficient source of independent funding, linked to economic indicators such as the rate of inflation, and with adequate public representation. In Hungary the 2007 is the first year when is trying to establish a stable but not sufficient source by parliament.

2.3 The political independence is a theoretical question, but not a practice.

Public service broadcasters are heavily politicised, although they are officially public organisations independent from the state. There is interference in some cases.

The governing bodies of public service broadcasters commonly include people connected to the political elite. These people often represent the interest of the political parties and politicians who propelled them into office. That is why the governance and management of public service broadcasters has become a political game, with the public service broadcasting governance structures changing according to changes in governments.

2.4 Impact of the civil society

In Hungary the civil society has a low impact on the structures of public service broadcasters. The public service television stations MTV and Duna, and Magyar Rádió also, are governed by large boards of trustees that also include 19~21 non-governmental representatives. In general, the governance structure of these stations is criticised because of its high number of members, which blurs responsibility for the decisions made. Besides that, the representatives of NGOs are selected without any formal delegation

mechanism – they lack representativeness, most cases have no media experiences and often associated with political parties.

The absence of clear rules on conflict of interest has a negative influence on the independence of the governing bodies of the public service broadcasters.

2.5 Editorial independence

Editorial independence is closely related to the financial and management independence of the public service broadcasters. Without sound financial allowing to carry out high quality programmes, or management structures guaranteed immunity against external pressures, editorial independence cannot be achieved.

Political bias is more significant in public service television than in the commercial media (except of specialised channels like TV and Hungarian ATV). However, the pro Governmental slant of Hungarian public service broadcasters has not had a big impact on the political affinities of the general public.

I think everybody can see that the civil society in Hungary has enough to do to change, make better the situation in the field of the public service broadcasters. But we, the membership of KOZTE must find the most effective way and means to reach our goals. It would be very useful if I can collect experiences on the EURALVA annual meeting.

References: EURALVA – The European Alliance of Listeners and Viewers Associations (www.uralva.org).