

The Future of Public Service Media in Ireland

Public Lecture

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I would like to thank Patrick Kinsella and Brian Trench for their kind introduction and Dublin City University for inviting me here this evening.

I would also like to congratulate them on the establishment of this new public lecture on the Media and the Public.

As a past student I am delighted that DCU is taking a lead in this always changing and often contentious area of public debate and public policy.

Thank you all for coming.

In the minds of every Irish citizen, and of most of us in the room tonight, certain questions resonate very forcefully.

How much have we lost in the turbulence of the current recession, and amid the collapse of our national finances?

And, crucially, how much have we yet to lose?

Not just personally, but also in terms of national institutions, and our faith in them. So much has changed, fallen from grace, or gone. So have big national business presences – Waterford Glass, the Sunday Tribune, Dell manufacturing in Limerick, and many smaller businesses in every community, town and village across the country.

We all hear, and many of us know daily, how we have lost our economic and fiscal sovereignty.

But there are certain things which we still maintain a large degree of sovereignty over – for now. We are sovereign in Information. Irish people can, if they chose to, still get their news, debate, discussion and argument mainly through Irish-owned and Irish-run media. We must not underestimate just how crucial this is.

And we are also still very largely sovereign in culture. For all that we consume and enjoy global culture and entertainment, we Irish still have our own way of doing things, our own sense of humour and our own brand of creativity. We

speak to each other and understand and amuse each other through our own cultural context and our own unique creativity as much as that of others.

So Information and Cultural creativity - in these two things we remain sovereign and independent. Stripped of those, we really would be stripped bare.

The space occupied by the media, the space of information and culture, is in itself critically and fundamentally important to our sense of ourselves and forms the bedrock of our identity. Nothing in Ireland bridges the worlds of Information and culture, or operates with greater trust and popularity, than does Public Broadcasting – or Public Media, as we must now call it in the digital era.

RTÉ is the main source of public service media in Ireland.

Tonight I want to address how RTÉ can and must remain vital within that space into the future, while being a part of a diverse and vibrant media environment.

And, perhaps most crucially, how public media should and can be funded – indeed whether it should be funded at all. That is the real debate for the future and I will take some time discussing that tonight.

Independent research has shown that RTÉ's news and information services are used by, and trusted by, more Irish citizens than any other media services. And RTÉ's underpinning of Arts and Culture, Music, Drama, Sport and independent media production are critical to the vigour and popularity of those key parts of

Irish life. The space that RTÉ lives in, breathes in, and operates in, is fundamental to our nation, to our society and active citizenship. RTÉ is a keeper of much that is still ours.

But, as I mentioned, all is changing fast and for RTÉ to continue to fulfill its public service obligations it will have to adapt; to deliver existing and new digital media services of a quality that the public have a right to expect; to have clearer output priorities that underline our public value, fulfill the needs of the public we serve and differentiate RTÉ from its international and domestic competitors and in parallel reduce our costs; and optimise our commercial potential in order to derive maximum value for money for the licence fee paying public. These are huge challenges which will see a different RTÉ emerge in the coming years.

A leaner, more focused, more competitive, more open, partnership based, organisation with an enhanced digital presence.

The challenge is to ensure, amid profound technological, societal and economic change, that RTÉ continues to be a public good, accessible to all, trusted, and relevant to the everyday lives of Irish people.

Next year RTÉ will be celebrating 50 years of television in Ireland. I am told that I am the first Director General of RTÉ who was born after that inaugural broadcast from the Gresham Hotel in 1961. I come from a generation that has experienced broadcasting in a fundamentally different way to any that has gone before.

RTÉ today sits within a society, economy and media landscape that are unrecognisable from when it was established.

From being an isolated country on the margins of Europe, we joined the EEC, opened our doors and entered a confident dialogue with the world. Foreign investment flowed here with all the skills, innovation and diversity that came with it.

We moved from being poor to being wealthy. And part of the way back again...

Our troubles in the North have been replaced by peace

We have seen the ebb and flow of our people through emigration and immigration.

We have seen our institutions challenged, our confidence shattered, our trust broken and the political landscape redrawn.

All in the space of 50 years.

RTÉ has been companion to, participant in and observer of all of this change. It has been our duty to investigate it, report it, question it, reflect it, and provide platforms for commentary on it. That's why we exist.

But while we were playing that role, the very market we operate in ourselves was changing rapidly too. From being one of the few media organisations operating domestically, we are now one of many. Irish people have always had

a strong appetite for media and that hunger has resulted in a very crowded, diversified and competitive media market.

And nothing has enabled this explosion in the market like technology.

Just recently we heard that Twitter had decided to open up an office in Ireland. Here it joins its giant cousins; Facebook and Google, in shoring up Ireland's reputation as an international digital hub. But no-one needs the physical presence of its office here to remind us of its impact on our daily lives. When a company name becomes a verb in less than a year, it has made a global impact.

It is only the latest in a string of technological iterations of the past few years that has made the future of all media exciting, vibrant, diverse and much harder to predict.

Last year, 15% of all page impressions made on RTÉ's web services were made on mobile technologies. Just twelve months later, that figure stands at over 40%. A staggeringly rapid increase that few could have predicted.

The number of internet connections in Ireland increased by 300,000 in the past year alone.

Broadband speeds of up 100mb are now available to many households.

The time spent online by Irish consumers this year stands at 3 hours per day, that is one hour more than it was just last year.

I could spend all night giving statistics similar to those, but I'm sure this is something all of you are aware of. You cannot help but be.

So, the future of broadcasting therefore should be clear. It's all going online, the future is in the cloud and traditional broadcast media – both Television and Radio – are soon to be relics – antiquated curiosities we'll watch with bemused amusement on future online versions of 'Reeling In The Years'.

Well yes, until you consider the following:

Despite the increases in online and mobile usage, despite the explosion of social media, consumption of television in Ireland is actually growing. Year on year more people are now spending more time watching television, not less!

And perhaps, more perplexingly, television viewing among the younger generation, the most elusive market segment of all, is up.

RTÉ Radio 1 has held its large national audience for the past 3 years running. In fact, radio listening in general in Ireland remains robust.

I mention this to give you some sense of the complexity of the broadcasting and media landscape that faces us all as we look ahead to the future. While it is true that online media consumption is growing rapidly, it is also true that the vast bulk of broadcast media is still consumed in live and linear formats. All of

our audience research indicates this will continue to be the case for the short and medium term. It seems, so far at least, that social media is adding to the media landscape but is not necessarily displacing broadcast services. In fact it could be helping them.

Indeed a feature of the current Presidential election is that many viewers are watching the live debates while following and contributing to the live commentary on Twitter, Facebook and other online social media. Much the same experience is found as families gather to watch reality shows, big sporting events, and entertainment spectacles - sharing the experience as groups, but interacting individually.

What is absolutely clear is that old certainties and simple assumptions about audience and content no longer apply. The audience has become more sophisticated and so must the broadcaster.

Advances in digital technology have not been restricted to the online world; the television market in Ireland has seen an exponential increase in digital television available to Irish audiences over the past number of years.

75% of Irish households now receive multichannel digital television services, accessing hundreds of channels.

Never in our history has global media had such access to Irish citizens.

Pull back for a moment and observe the penetration and influence of those media sources in our daily lives. Just imagine an average day of viewing,

listening and web browsing – where you don't use any of RTÉ's services.

You might begin with Ireland AM on TV3. TV3 is owned by Doughty Hanson, the multi billion pound, London-based private equity firm.

You might then buy the Irish Independent on the way to work – the Independent is of course part of Independent News and Media, which had revenue of over 600 million Euro last year.

At your coffee break you might briefly listen to Dublin's FM104, which is owned by the UTV Media Group, which operates 21 commercial radio stations in the UK and Ireland and of course the UTV television service.

Over lunch you might check the news headlines on Sky News – part of the BSkyB Group which took in almost 7 billion Euros last year. You might access one of the 300 Television channels SKY currently offer to Irish households.

Sitting at your desk, you might then use Google, to check for the latest football scores. Google is a 16 billion euro company with the most popular website in Ireland and a rapidly growing Irish online income.

You then tweet your dismay at those scores on Twitter, a 7 billion dollar worldwide phenomenon.

In the afternoon you check to see who has poked you on Facebook – a site with over 800 million active users.

On the way home you listen to Matt Cooper on Today FM, owned by Denis O'Brien's Communicorp which operates 40 commercial radio stations in 8 countries.

After dinner you tune into the BBC – the largest public service broadcaster in the world with an income of over 5 billion Euros

You access the BBC via your UPC cable service – which of course is part of Liberty Global, the largest cable company in the world outside of the US.

And finally, before going to bed, you log onto iTunes to buy the Rihanna single - 'Complicated'. iTunes is of course an Apple service, a company that now vies with Exxon Mobile to be the most valuable in the world.

All of this is now available to an Irish audience in a single day, any day, of any month, of any year.

Ireland is a small market with some very big players. International trends of globalisation of content delivery and consolidation of domestic ownership are already established here.

So to those who say that RTÉ is too big, too dominant or too controlling in this market, I would say pause for a moment, take a step back and see the real elephant barging its way into our living rooms!

The Ireland we live in now is a society with a complex media landscape that is dynamic, international and highly competitive – a huge proportion of which is

owned and operated by international media companies whose primary motive, as James Murdoch said a number of years ago, is unashamedly, profit.

And commercial companies should have a profit motive. That profit motive has driven a huge range of technological innovation in our industry. Those that took the risks have reaped the financial rewards, and good luck to them. But the pursuit of commercial return does not always sit comfortably with the wider needs of society. At this time in our history, given our economic vulnerability, given the rise of global media players, given the consolidation we've already seen in ownership in Ireland, the pursuit of commercial imperatives cannot be allowed to determine policy on public service broadcasting.

Now, more than ever, amidst all this change, fragmentation and uncertainty, there is a need for a publicly-owned media service with a strong Irish voice -

- not a homogenous voice but a voice accessible to all,
- a voice that articulates Irish stories,
- a voice that relays Irish experiences and allows for national debate and conversation
- a voice that addresses as its priority the challenges facing this society and this country and that is a national focal point at times of celebration and crisis,
- that offers an Irish perspective on the world,
- a voice that , as I said earlier, is a daily keeper of much of what is ours – culture, history, language and identity,

Above all we need a media service that does all of these things but is accountable, not to shareholders, individuals or the government of the day, but to the public.

Of course central to accountability is trust, and trust, particularly a broad public trust, is first and foremost earned.

Often, only by being presented by a sharp contrast can we see the inherent value of services that have become so much a part of our lives. It's interesting, for example, that through the summer as the News of the World and News International hacking story broke in the UK, the BBC looked and felt more important and more essential, without having to do anything or say a word.

Relevance and popularity are essential for all media organisations, because unless people watch, listen, read or use your services then there is little point in offering them.

But public trust is the critical measure for public service broadcasters.

For RTÉ, trust is our currency and it is something we keep a close eye on. Our latest research shows that 72% of people consider RTÉ Trustworthy, a figure that has grown since 2009 – through a period when trust was collapsing in other National institutions. We see that trust being expressed at times of particular difficulty. – People find themselves reaching for the familiar. During the volcanic ash chaos, the Murphy report, the budget, the banking crisis, the winter freeze, and other uncertain times ratings for RTÉ's services soar. This is how loyalty is fostered and maintained.

But trust is not arbitrary. For trust to be durable, the institution that earns it must be bound by an appropriate system of checks and balances.

RTÉ now operates by an agreed set of principles and within a complex regulatory framework underpinned by broadcasting legislation that has evolved as much as Ireland has changed. It is important tonight that I explain some of this to give people a comfort that they have a say in how that trust is maintained and monitored.

Since 1926, broadcasting, and public service broadcasting in particular, has received the sustained attention of policy makers and politicians. There have been 21 Acts or Amendment Acts and a number of other Statutory Instruments related to broadcasting over the period, culminating in and consolidated very recently in the 2009 Broadcasting Act. At EU level, the issue of public service broadcasting has also received considerable attention from policy makers and much of it has informed national legislation across the Union.

The present model of public service broadcasting in Ireland – what is expected of it, how it is regulated and how it is sustained and funded, is not some accident of history or some neglected policy backwater in need of a fresh look, but it is clearly the sovereign will of the Irish people reaffirmed in law and enacted by parliament just two years ago.

Crucially the Act places RTÉ, for the first time, under a regulator - the Broadcasting Authority of Ireland - and gives the Authority wide-ranging powers to hold RTÉ accountable on behalf of the public.

The *RTÉ Public Service Statement* sets out in five pages how RTÉ sees its role, the principles it will observe and the services it will provide. This is a public statement, a public contract that RTÉ enters into with its audience that no commercial broadcaster commits to.

- Independence
- Inclusivity
- Accountability
- high quality and standards
- operate within its legal and democratic remit
- express our cultural diversity
- and create a better understanding of the wider world.

This is what shapes our schedules. This is what guides our decisions. This is the framework to which we work every day.

Given the uncertainty we all face, the collapse of trust in markets and financial systems, the social upheaval caused by revelations of our past and breakdown of institutions, these principles are more relevant than possibly at any time in our history.

RTÉ won't always live up to these principles but surely it is important, now more than ever, that we have a public institution at the heart of Irish life, that is determined to reach for and attain the highest standards.

Each year, RTÉ lays out how it is to make these principles manifest in its operations. In January of this year, RTÉ published its commitments for 2011. The document includes 170 individual commitments. It's worth taking the time to give you a few examples:

- RTÉ will deliver almost 3000 hours of News and Current Affairs across Radio and Television
- RTÉ Performing Groups will deliver 180 Public Performances and 77 educational performances, talks and workshops
- RTÉ will deliver 650 hours of Young Peoples Programming on Television
- RTÉ will ensure that home or indigenous production comprises 65% of peak time hours on RTÉ One
- RTÉ will launch an 18-month campaign to educate the public about DTT and SAORVIEW

These are just some examples from a long and detailed list of obligations that RTÉ is required to commit to each year in order to earn its role as a publicly funded broadcaster. These obligations simply do not apply to commercial broadcasters.

I would not stand here today and say to you that RTÉ is the only broadcaster on the island that engages in Public Service Broadcasting. Commercial services do provide some public service broadcasting but they do it ultimately because they choose to - because it suits their legitimate profit motive, either in terms of advertising return or as part of a case to access public funding. They can come and go on this. They can change their minds. They can change their strategy. New owners of any of these companies may take them in a totally

new direction. The previous owners of TV3, CanWest invested very little in Irish production. The current owners have a policy of more Irish investment, which is to be welcomed. But who's to say what the next owners' strategy will be. RTÉ doesn't have that choice. We are required in law to offer the broad range of services that we provide, and we are accountable to public in how we provide them.

There are those who argue that Public funds should be used only for those programmes that the market will not provide. Determine RTÉ's remit by market failure rationale, they argue – in other words, you do what we don't want to do. Or to put it more directly, you do whatever doesn't make money for us.

This is the crux of the public service argument that has been going on since I entered the world of media over 20 years ago.

There is a lack of honesty or perhaps more generously, a lack of realism from those who want to see RTÉ's remit narrowed to certain types of output. Such prescriptions have only one inevitable outcome - the eventual marginalisation of RTÉ as a national broadcaster and with it the concept of public service that it adheres to.

Those who argue that publicly-funded broadcasting should not be concerned about ratings, should concentrate on what the market chooses not to provide, will be the first ones to question, when the audiences dwindle, why we should spend public monies on a minority broadcaster that few people listen to or watch.

I understand the attraction though. While media is an important part of the social fabric of our society, that very importance makes it attractive to

business. Media, for many, means financial opportunity alone. The opportunity to reach such large audiences in an increasingly interactive and transactional way has meant that many venture capitalists, entrepreneurs and investors will understandably find it an attractive proposition. Public service broadcasters become very inconvenient looking through this lens.

Richard Branson, Rupert Murdoch, and Denis O'Brien are only some of the names in these islands who have made their fortunes, or a part of them, from involvement in media. It's little wonder therefore, that those in the private sector would cast an envious eye at the public service organisations and argue that they should have a slice of the pie, or in some cases, the whole pie.

Ireland needs a diverse media sector and, again I say, that I absolutely understand and commend the commercial sector's profit motive, but this drive to improve their bottom line cannot be allowed to determine the shape of public broadcasting.

To do that is to cross a regulatory Rubicon - once crossed, it becomes impossible to get back to where you started and undo the damage done.

It's worth reflecting on what we would not have, if we didn't have a not-for-profit public service media organisation in Ireland, such as RTÉ:

We wouldn't have a €250 million annual investment in indigenous television and radio production.

We wouldn't have opportunities for the 500 actors and 350 classical musicians that our Drama and Performing Groups support each year.

Irish audiences wouldn't have over half of their peak time viewing being produced in Ireland by Irish programme makers.

We wouldn't have a national Irish language radio service, cutting-edge investigative reporting or an extensive network of regional reporters, crews and programming.

Nor would we have the bringing together of Ireland and the rest of the world around events like the visits of the Queen and President Obama earlier this year. No commercial broadcaster would make a decision that they were going to invest 3 million Euros in those events. It simply wouldn't be worth their while.

The broadcast of the events internationally undoubtedly benefitted Ireland Inc, but what chief executive of any commercial broadcaster could face their board of directors and say, 'listen we've decided to lose 3 million over the next five days – but don't worry, the country will be better off after it.'

And yet look at the return for Ireland. Over 30 countries worldwide accessed and used the RTÉ footage for free, including our competitor in this market. Who can deny that broadcasting made those visits more intimate, yet more shared, more historic, more impactful, more unifying?

Another example of the wider benefits of public investment in a national broadcaster is the provision of a Digital Terrestrial Television service – DTT. The government expects to generate up to 500 million Euros in a spectrum sell-off as a result of analogue switch-off. Yet this can only occur because of RTÉ's investment of 70 million Euros in building, operating and promoting the replacement DTT service, SAORVIEW. No commercial operator in their right minds would have taken this on and the country would have been left without a national digital infrastructure, without the predicted Exchequer returns, and perhaps most importantly without a free-to-air television service.

Scale gives RTÉ the capacity to do big things in the public interest, important things – things that just would not be done otherwise.

And just because RTÉ do things that others would find neither popular nor profitable, it does not mean that we can ignore ratings. We know that we are only relevant when we are connecting. There is no contradiction in our remit to serve all and yet be popular.

Often Public service broadcasting is considered as the worthy but dull stuff. The stuff no-one watches. I've never believed this. The idea that Public Service programming doesn't carry with it a huge attraction would do our audience a disservice. Irish people are a beautifully complex people with a great appetite for media, with strong and diverging views, and with an education that demands high standards of our storytellers. Time and again, we have seen that well-produced, creative, story-driven programmes which intelligently analyse and parse elements of our society rate strongly and can create the debate that drives our society forward. This is why RTÉ has never been, and in my opinion

should never be reluctant to place these programmes in the heart of our schedule where they are available to most people.

It is also untrue to say that only programmes of weight and perceived worthiness constitute public service. RTÉ has an obligation in law 'to inform, to educate and to entertain'. This is why RTÉ is proud of its offerings - from the big entertainment shows to the big sporting occasions which give the nation an opportunity to connect through the talents or the trials of others. It is why we value satirical programmes that allow us laugh at ourselves and it is why we attempt to display all that is best about us when it comes to music, literature, poetry and the arts.

To truly serve the audience in its deepest sense, we must serve them completely. There is public value in those programmes that serve the purpose of lifting the spirit, that display and highlight the culture and creativity of our most talented. And it is often these programmes that our audiences flock to in most numbers and that generate the most revenue for RTÉ. And revenue is important to us.

It's RTÉ's role to supply the audience with a complete service. To do this we must generate commercial revenue, which along with the licence fee funds our services. This is an intrinsic part of our remit.

The licence fee that the public are legally bound to pay for RTÉ services covers approximately 50% of the cost of providing them. The other half must come from commercial activities, which we are required in law to earn by selling our airtime, our content and our services.

The model drives maximum value for the licence fee by forcing RTÉ, through a commercial imperative, to remain close and responsive to its audience while at the same time fulfilling broader societal goals. This is a good tension and one that runs through all that we do in RTÉ.

Some, mainly our competitors, wish it were simpler, that RTÉ could operate by licence fee alone like the BBC, and leave the commercial marketplace to others. But the truth is this country doesn't have the population to sustain such an economic model. So like many other territories, Ireland adopts a dual funding approach. The alternative would be to either double the licence fee, or drop half our output.

I think the former would be asking too much of people, and the latter would be like asking people to choose which part of the power network we should switch off or which parts the postman shouldn't bother going to. The big parts that serve the cities, or all the fiddly little bits that serve the rest of society.

Of course the argument for dual funding really only stacks up if RTÉ is efficient and transparent in its use of both public funding and commercial income.

I don't think anyone would thank me for going into a detailed analysis of RTÉ's cost efficiencies or value for money but I think it is worth giving you a few comparative examples and facts to illustrate the point. Most of these examples are from a new report by Price Waterhouse Coopers that we will be publishing later this week: Among other things, it found that

- RTÉ has reduced its costs by 18% in the past 2 years. The BBC reduced its costs by 4%, and Channel 4 by 2%;
- RTÉ has added €472m to the Irish economy in 2010;
- Close to 40% of licence fee income received by RTÉ in 2010 reverted to the state in the form of tax;
- We have one of the lowest licence fees per capita in Western Europe;
- The BBC sent 295 staff to the soccer World Cup in South Africa, ITV sent 150 staff. RTÉ sent 11 - but delivered twice the number of live matches;
- Fair City is produced at one fifth the cost of BBC's Casualty, and half the cost of Eastenders - yet has the highest rating of any soap in Ireland;
- The average TV share of public service media across the EU is 28%. RTÉ achieves 33% - one of the highest across all EU countries.

Of course these are just examples. We report in detail each year on our financial performance in our Annual Report and Group Financial Statements. We also give a full operational review of each service, a summary report on our agreed performance commitments and how we allocate commercial revenue and public funding by both service and genre.

We submit monthly management accounts to the Department of Communications, Energy and Natural Resources and as I detailed earlier we have a number of additional annual reporting processes with the BAI.

That's not to say that RTÉ is perfect in this regard. As an organisation RTÉ has not always been as transparent as it should have been and there is a perceptual legacy that continues for many. However for anyone who really chooses to look, RTÉ is now one of the most transparent media organisations operating in this jurisdiction. As it should be.

However, what has become all too transparent is that RTÉ has suffered steep declines in its commercial revenue since 2008.

When recession bit, the fall-off in broadcast advertising in Ireland was the most extreme in Europe. RTÉ experienced a sudden loss of €70 million in annual commercial revenues from mid-2008.

We responded by rapidly cutting costs. Our staff was the first among the public sector to volunteer pay cuts. We cut €82 million or 18% off our cost base. The rest of the semi-state sector reduced their costs by an average of 6%. Staff numbers reduced by 200, over two years. We suffered a substantial reduction in public funding in the Budget last December. Commercial revenue also fell and unplanned external factors, including the two State visits, subsequently pushed our potential deficit to 34 million euro.

We cut again, and RTÉ is now on target to reduce that by half this year, with further restructuring planned for next year designed to ensure a break-even result in 2013.

While this will be difficult, I am not expecting any sympathy or seeking any credit for what we have achieved to date. It's not a time for pats on the back. I know many organisations, including other media organisations, are also hurting, indeed a number have gone out of business. But it is clear that any additional substantial cut in public funding will make it impossible for us to fulfill all of our public service commitments.

So there you have it. A perfect RTÉ, a role model for all other broadcasters, noble in purpose, honorable in deed. I wish it were always so. There is no reference manual for a dual-funded public service broadcaster. No rule book you pull down off the top shelf when you have to make decisions on the shape of a schedule or what commercial income to chase or how vigorously you should chase it.

RTÉ certainly hasn't always got it right. We haven't always balanced our competitive and non-competitive imperatives properly. We haven't always shaped our schedules as we should. We were slow to fully realise the impact of the recession on our commercial rivals and to examine the wider role we play in the domestic market. We were complacent in not making the case for a strong national public service broadcaster forcefully enough to both the public and our stakeholders, as public funding was reduced over the past number of years. We let top talent fees become too large. We have been too closed at

times in our history, too conservative or perhaps too reluctant to work with others particularly with other cultural institutions that also play a key role as keepers of Irish culture and Irish identity and whose work we could greatly amplify and support.

All this will change over the next three years. It is already changing.

However, there are mistakes that are more difficult to offer guarantees on. Sometimes, despite our best efforts, we make editorial misjudgements and editorial mistakes. These are the mistakes that we most regret because of the harm they can cause; the trust that is broken with our audience; and the confidence that is shaken our programme teams.

As many here tonight will have no doubt seen, a little over a week ago RTÉ made a lengthy, apology on air just after the nine o'clock news. The matter is still before the courts and is therefore *sub judice*, which is why RTÉ has made no public comment on it. However, I would like to take this opportunity to publicly and unreservedly apologise as Director General of RTÉ to Fr. Kevin Reynolds.

RTÉ must always be open and honest when we do get it wrong. We must learn what we can from such mistakes and make changes if necessary - and we will. That is part of being accountable and essential to public trust and public support.

However what is also part of maintaining public trust is that we don't lose our nerve.

Investigative journalism is one of the key contributions of news media to society. I've been involved in investigative journalism as a reporter, producer, Editor and manager at various times since I left DCU. If I've learned anything during that period, it's that delivering quality investigative programming is incredibly risky, contentious, and difficult. There is no low-hanging fruit. Most of the time you dig the stories out of a granite pit, stone by stone.

This is part of the reality of working in this area, and the stakes are high. We are often revealing matters that impinge hugely on our subjects. The burden of responsibility that brings is considerable. It is a responsibility we accept because it is part of our job, part of RTÉ's essential public service.

Society needs this reporting.

Investigative journalism is and will remain a core priority in RTÉ's output.

I mentioned at the beginning of my remarks this evening that if RTÉ is to continue to remain relevant to the everyday lives of Irish people and fulfil its public service obligations it will have to adapt.

Some of the changes we are now making have been hastened by the very difficult financial position that RTÉ finds itself in

We must adjust to a new financial reality.

Getting RTÉ back on a firm and sustainable financial footing has to be our first priority and everyone in RTÉ understands that. We are working our way through this and as I have already outlined, we have made very significant progress over the past two years.

There are however a number of realities that are now very clear.

To date RTÉ has been very good at minimising the impact of cost reductions on our services. But the scale of the readjustment we have to achieve in the next 18 months means that service levels will be impacted and most likely reduced.

By the end of this year RTÉ will be a significantly smaller organisation – some 300 people smaller than it was in 2008. This has implications for all areas within RTÉ and requires a fundamental restructuring of our operations which is currently underway.

By 2013 RTÉ will have reduced top-talent fees by in excess of 30%. We may during this process of renegotiation lose some of our most talented and loved presenters to our competitors. That would be very regrettable, but if some choose to leave, we will adjust, find new voices and new ways to deliver services and programmes.

The key message here is that we will meet our public service obligations, but we will do so by doing things differently, by being more efficient and by being more focused.

Key in all of this is having very clear priorities, for it is only by having priorities can we make consistent decisions, particularly when scaling back some activities.

This is nowhere more important than in RTÉ's output.

When I came into this role earlier this year I communicated to staff my intention, and put in train a process, to choose clear output priorities, that RTÉ will protect and enhance over the next three years. This process concluded last week and tonight I would like to announce those six priorities-

The first of these I have already referred to this evening and that is – Investigative Journalism. The others are:

- Arts and Culture – because RTÉ has a unique role within the Irish cultural ecosystem
- Innovation, including Science and Technology – because RTÉ must be part of building Ireland's new future
- Children and Young People – because they are our future
- 24-Hour News on Demand – because we must meet the needs of an increasingly mobile and sophisticated audience in the digital age
- National Events – because RTÉ must always be a place that brings us together

These priorities are clearly aligned with RTÉ's stated values and principles and are aligned with our responsibilities in law.

They are also content and output areas where we can be distinctive, where we can serve a clear public interest and make a real impact.

Over the next three years, audiences will notice new programming and new content in these areas across the full range of RTÉ's services.

We will develop key external partnerships to amplify the work of other public and private organisations in these areas and we will develop new relationships with third level institutions.

And internally we will develop new talent, allocate and coordinate resources and support staff development in these priority areas.

Combined, they are an affirmation of RTÉ's obligations to help sustain Irish culture, to uphold the public interest; to remain relevant to the daily lives of our audience and to contribute to Ireland's renewal and sense of common purpose.

Combined, these Output Priorities give a clear signal to our audience and other stakeholders as to what RTÉ regards as core to its public purpose at this moment in time - they are a very clear statement of RTÉ's intent.

Just as what we choose to focus on informs public understanding of RTÉ's core purpose, so too does how we act within the marketplace.

I am very aware of the privileged position that RTÉ is in, particularly in the current economic environment. I realise not just the benefits but the responsibilities that public funding confers on us.

As I have said we haven't always balanced our competitive and non-competitive imperatives properly. We are dependent on commercial income to provide the range of output we offer. We are also legally constituted to pursue that income and we will continue to do so. However, there will be clear changes in our commercial approach in the coming years.

Our online activities have been hugely successful for us and have become a vital link to a new audience both in Ireland and overseas. We will be developing exciting new online content and services, but our online activities will also increasingly reflect our overall public service obligations. The remit of RTÉ Digital, our new online division, will be a dual remit as applies to all our output areas.

We will be more conscious of our overall role in the broadcasting landscape and the role of our subsidiary companies. We are, for instance, aware of criticism of the relationship between RTÉ and its subsidiary RTÉNL. We are open to examining how we might to put a greater degree of separation between parent and subsidiary. This will be important as new regulation designed for transmission in the digital age is framed.

We will become more open to broadcast partnerships and collaborations around key areas of content like sports rights and new digital television services. We announced earlier this year an offer of content to members of the National Newspapers of Ireland on a pilot basis. This was an entirely new departure for RTÉ. Those discussions are now progressing on an individual basis with individual newspaper groups. Our goal is to seek mutually beneficial partnerships with companies and organisations that have an interest, like us, in the provision of quality Irish content. It is to be more open to the possibilities of sharing RTÉ content with a wider audience on terms that benefit both parties.

We would expect further content partnerships to be agreed in the coming months.

And following a review of all our commercial trading activities, by the middle of next year we will have developed a new approach to our commercial trading that is transparent and appropriate to a publicly-funded organisation of our size within this market.

This is the shape of public service media in the future, more partnerships that operate in the public interest, more awareness of the responsibilities that public funding brings, while at the same time being more innovative and strategic in our commercial approach. This is the challenge facing all public service media organisations in the future.

Another change, perhaps the most exciting one that our audiences will notice over the next few years, will be in our digital services.

By this time next year we will be on the eve of Analogue Switch Off, which means households across the country will need to make the switch to new digital television. This marks a defining moment in the evolution of Irish media. We are crossing a threshold into a new digital age.

Earlier this year RTÉ launched SAORVIEW; thereby ensuring Irish households will continue to have access to free-to-air television after ASO. RTÉ launched a number of new channels on the service;

- RTÉjr – an advertising free children’s channel;
- RTÉ News Now – a dedicated news channel;
- RTÉ Two HD – bringing the best sport, drama and natural history programming in HD,
- RTÉ One +1 a time delayed catch up channel for RTÉ One.

SAORVIEW of course also carries TV3, 3e and TG4.

In radio, RTÉ has led the innovation and established the potential of digital radio in Ireland. We have made all our services available online and on demand. This has allowed more channels, more choice and more control for the listener in how and when they access our radio content.

In the future we will be developing other additions to accompany the new online Radio Player launched just last week.

There are huge possibilities now - many of the old barriers are falling.

Exciting hybrid TV and radio services in areas such as culture and arts, archive, documentary, sport, film and drama are all possible.

However, if all audiences are to benefit from the full potential that these technologies allow, it will require new more flexible and creative approaches by broadcasters, regulators and government.

A few weeks ago I announced to staff a fundamental reorganisation of how we are to deliver our existing online services and develop new ones. Audiences will notice with time that our online content will become richer, more social and more comprehensive.

RTÉ can and will play a leading role at the centre of this new growing creative digital economy.

To do this, to remain competitive and to continue to give our audience the best possible services, RTÉ will soon have to invest in new facilities built to meet the demands of the digital age. It will be a number of months before we are in a position to make definitive decisions on how best to proceed. But we are planning ahead for the future – a future where public service media continues to be at the heart of Irish life.

Earlier tonight I spoke about those things that as a society we have already lost. Some we will regain, some will take longer, if ever to recover.

As we stand on the cusp of a new age in Ireland we must all choose what to take with us and what to leave behind. While making those choices we must keep more than ourselves in mind, we must make a place for the public good in our deliberations. RTÉ firmly sees itself as an instrument of public good. That is the intention of the regulation that binds us, the licence fee that funds us and the people who serve us. I believe I speak for all of RTÉ staff when I say that we are more determined than ever to live up to that expectation of public good. We realise what is at stake, and what we all have to lose if we fail.

RTÉ is going through profound change. It must do to reflect the society it serves. But as we do, we will make sure to bring with us those elements that have earned us the trust and loyalty of our audiences. We have learned and will continue to learn from our mistakes so that we can continue to enrich and deepen our connection with the Irish Public.

We will also continue to seek ways to increase the value we provide for the funding we receive. Our position is a privileged one, one we know we must continue to earn. But, while we seek better and more efficient ways of doing things, we will not compromise on the content we produce. Because a society that makes the courageous and noble choice of funding Public Service media, deserves to have that decision rewarded with the best that that funding can provide.

RTÉ's core position in Public Service media provision will ensure that this society continues to have rich conversations with itself, that the marginalised will be included in those conversations and that all will be represented. It will ensure that in an age of dizzying information supply, one stream will run free of agenda and free of market forces.

It will ensure that we celebrate together when those bright moments come, and that we share our disappointments when they don't.

It will ensure that while all around us changes, we have somewhere to go that reflects those changes, explains them, discusses them and gives us a platform on which to find the collective way ahead.

But most of all, at a time when the globe has become a village, a strong, relevant RTÉ will provide us with that sense of selves which Irish people cherish so dearly. Our history, our culture, our heritage and all the expressions and iterations of ourselves, that make us who we are.

RTÉ will be home to them all.

(end)

- *RTÉ Director General Noel Curran delivered this lecture at the Helix Theatre, Dublin City University on 17th October 2011. This was the inaugural lecture of a new biannual public lecture series launched by the School of Communications under the heading of The Media and the Public.*

RTÉ Corporate Communications