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*News Release*

GOVERNMENT RESPONDS TO JOINT COMMITTEE ON DRAFT  
COMMUNICATIONS BILL

**“A good Bill has been made better” – Jowell**

The Government has today accepted the vast majority of recommendations made by a Parliamentary Committee on proposed changes to the communications industry.

The committee, chaired by Lord Puttnam, made 148 recommendations about the Government's draft Communications Bill, which will pave the way for a radical overhaul and simplification of the legal framework for the media industry.

Culture Secretary Tessa Jowell and Trade and Industry Secretary Patricia Hewitt revealed today that 110 of the recommendations had been accepted.

Tessa Jowell said:

“Lord Puttnam and his committee have been a critical friend. They aimed to ‘make a good Bill’ better’. Their input has achieved this - we have taken the vast majority of their recommendations on board.

"For example, we have already acted on their recommendations about independent productions by asking the Independent Television Commission to undertake a review of the television programme supply market.

"The results of the committee's work will be evident throughout the Bill, both in major changes to policy, as well as in refining many more detailed points.

"The committee's contributions have led to significant changes to the original draft, we have been able to remain true to the key principles of reform that underpin the Bill: liberalising the market to cut out unnecessary bureaucracy, while retaining safeguards that will protect the plurality and diversity of our media.

"We have not taken on board every recommendation. The reasons for this vary, for example, in some cases we agree with the committee's aims but intend to take a slightly different route to achieve them.

"And in the very few areas where we do not agree with the committee's recommendations, we have always carefully considered their case before reaching our conclusion.

"There has been much debate on the issue of foreign ownership. In fact the Government and Committee are not so far apart on this issue. We both agree on the principle of removing the ownership restrictions for broadcasting licences. Where we do disagree is on timing. We intend to continue with our aim of liberalising laws in this important area, but importantly the committee has made us look again to ensure that we will have sufficient safeguards in place to ensure that we will maintain the highest programme standards.

"In all instances the Committee's input has helped us focus on delivering a Bill which lays the foundation for ensuring Britain continues to have the best quality TV and radio in the world and is the most dynamic communications industry in the world."

Patricia Hewitt said:

"We are extremely grateful to Lord Puttnam and his Committee for all their hard work in examining the draft Bill. They have offered an invaluable fresh look at a complex policy area. The results of which are clear in a greatly improved Bill.

"We have been glad to accept the vast majority of Lord Puttnam's recommendations, for example strengthening the role of OFCOM. We have already announced that we will increase the size of the OFCOM board. As Lord Puttnam suggested, this will allow them greater flexibility to respond to operational needs and changing circumstances.

"In addition, we have agreed to look again at the drafting and structure of OFCOM's general duties with a view to ensuring powers are properly exercised under the new regime."

Among the recommendations of the Joint Committee on the Draft Communications Bill that the Government is accepting are:

- fining the BBC in respect of breaches of tier one and tier two obligations, which the broadcaster has to meet as part of its regulation. The Committee's views have helped to persuade the Government that this is right.
- acting on the recommendations about independent productions – the Government has already asked the Independent Television Commission to undertake a review of the television programmes supply market.
- increasing the size of the OFCOM Board from six to nine. The Government has already announced it is accepting this recommendation, which will give OFCOM – the new industry regulator- the flexibility to respond to operational needs.

- o looking again at the drafting and structure of OFCOM's general duties, prompted by the Committee.
- o making clearer, on the face of the Bill, how self-regulation fits within the new framework.

Many smaller changes will make a positive impact on the way in which the new regime will work, for example, ensuring that any powers will be properly exercised.

The draft Bill, which was jointly published by Trade and Industry Secretary, Patricia Hewitt and Culture Secretary, Tessa Jowell, in May, will bring the current regulatory framework up-to-date, responding to the technological and market changes driving modern media. Central to this would be conferring on a single powerful regulator - the Office for Communications (OFCOM) –the functions of the five existing regulators (the Independent Television Commission, Radio Authority, Of tel, Broadcasting Standards Commission, Radiocommunications Agency).

In its final form, the Bill would reform the rules on media ownership. There would be significant deregulation to promote competition and investment, but a few core rules would be retained to protect diversity and plurality. The Government plans to remove or relax most ownership rules within the TV, radio and newspaper markets where competition law tends to encourage dispersed ownership. But key cross-media rules will be retained as minimum guarantees of plurality.

#### **Notes for Editors**

1. The Government's response to the report by the Joint Committee on the Draft Communications Bill can be accessed at [www.communicationsbill.gov.uk](http://www.communicationsbill.gov.uk).

2. All supporting documents, including the draft Bill itself and original press release can also be found at the above address.

3. For public enquiries call either the DTI on 020 7215 5000 or the DCMS on 020 7211 6200. Or see the departmental websites: [www.dti.gov.uk](http://www.dti.gov.uk) and [www.culture.gov.uk](http://www.culture.gov.uk)

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