
RTÉ for the People: A Radical Plan to Transform RTÉ and Public Media

People are rightly disgusted at what has happened at RTÉ. It is a microcosm of the unjust class society we live in, where the highest paid and richest people are treated as the 'talent', while everybody else struggles to get by on low pay and precarious employment.

Massive salaries paid to the few have been justified on the basis of advertising and sponsorship revenues. We have seen the astronomical payments made to the likes of Ryan Tubridy, Joe Duffy and Brendan O'Connor and other high earners. Secret payments of €75,000 a year were made to Ryan Tubridy; €5,000 spent on flip-flops for a party; €4,200 on membership of an exclusive club in London. This was happening at the top of RTÉ while ordinary RTÉ workers were facing pay cuts, journalists were forced to record in café toilets, and freelancers were paid as little as €120 for a report.

What has happened at RTÉ suits establishment politicians. It takes attention off their policies and behaviour for a few weeks. They won't mention that most of the RTÉ board were nominated by the government! Meanwhile, they are preparing to exploit the crisis to impose cutbacks on the ordinary workers and to break up and privatise RTÉ.

In a world dominated by social media companies owned by billionaires, genuine public service broadcasting is more important than ever. But instead of being a valued public broadcaster, RTÉ has been undermined by underfunding by successive governments and by the deeply corrosive effects of advertising and sponsorships.



Reforming RTÉ and public media service

We need investment in a comprehensive national public media service, incorporating RTÉ and other public service media e.g. print, local radio, production companies, digital media, etc.

RTÉ's latest annual report shows that its total revenue for 2021 was €344.4m, including €148.3m commercial funding and €196.1m from the licence fee.¹ This is down 25% compared to 2008, when RTÉ's budget was €439m.

RTÉ's annual public funding should be increased to €500m, with guaranteed multi-annual funding to enable it to properly fulfil its public service broadcasting remit. An additional fund should be made available to respond to the long-standing lack of investment in RTÉ and to rapidly up-grade its equipment and technology.

This funding should be based on the following conditions:

- Pay caps and proper pay and conditions for all workers
 - ▶ Pay caps to end big six figure salaries for the few.
 - ▶ End low pay, bogus self-employment and precarious contracts.
 - ▶ Mandatory trade union recognition.
- Democratisation of RTÉ and good governance:
 - ▶ Replacement of the current Board with a Board representative of RTÉ workers and civil society - the board should not be dominated by people with private industry backgrounds
 - ▶ Development of additional mechanisms for democratic workers and public input into programming decisions.
 - ▶ Board members should be subject to recall.

Funding Public Media

The TV licence fee is a regressive tax and should be abolished immediately. It is already being boycotted. At over 15% Ireland has one of the highest levels of non-payment in Europe. All advertising and sponsorships should cease to restore and safeguard the integrity of public service media.

The licence fee revenue and advertising and sponsorships income should be replaced with 100% public funding based on new corporate tax levies on the Information and Communication Technology (ICT) sector and a Big Tech Tax on the profits of the largest ICT companies. The ICTU² and the NUJ,³ in their submissions to the Future of Media Commission, both called for a "windfall tax" on the major digital platforms to help support public interest and public service media".

These levies should be set at a level to raise at least €1bn, with €500m for RTÉ and €500m going to other public service media e.g. print, local radio, production companies, digital media etc.

How would new corporate tax levies work?

Information & communications companies made net profits of €12.646bn in Q4 2022.⁴ Extrapolating that annually would give an annual profit of €50.584bn. A 1% tax on that would raise €500m.

A similar amount could be raised through a higher rate of tax just on the largest ICT companies. A report for the Irish Fiscal Advisory Council⁵ found that the top ten corporate taxpayers paid €8bn in corporation tax in 2021, with the top ICT companies in the top 10 paying around €5bn of that. That's based on a notional corporate tax rate of 12.5%. So a 1.25% Big Tech Tax corporate tax levy (i.e. a 10% increase in their tax) just on the top ICT companies would raise an estimated €500m.

Taxing ICT companies would be relatively simple to design as it's based on a levy on the corporate tax that already exists and information on the top corporate taxpayers that Revenue already has.

Taxing ICT companies to replace the licence fee and fund public service media is compatible with the recommendations of the Future of Media Commission. Its report published last year "Discounted the option of reforming the TV Licence model, on a number of grounds including the great difficulty involved in reducing evasion rates, and the fact that even if compliance were dramatically improved the model would still not be effective at raising the target funding". Instead, it "Agreed that a taxation-based approach to funding PSM (Public Service Media) was the best and preferred option" and that "a taxation-based approach offered the best prospect for a sustainable, future-proofed, equitable and publicly-acceptable funding model"⁶

People Before Profit says

- Scrap the regressive TV licence fee.
- End advertising and sponsorships by RTÉ.
- Increase public funding for RTE to €500m, including a rapid modernisation budget for capital expenditure, and allocate a further €500m in public funding for other public media organisations.
- Raise €500m through a 1% tax on all Information & communications companies.
- Raise a further €500m through an additional 1.25% Big Tech Tax on the largest ICT companies.
- Cap pay to end big six-figure salaries for the few.
- End 'bogus self-employment' and poverty pay and conditions; mandatory trade union recognition.
- Democratise RTÉ – replace the current Board to make it representative of RTÉ workers and civil society, with Board members subject to recall.

Endnotes

- 1** RTÉ 2021 Annual Report - Intreoir (rte.ie)
- 2** ICTU Future of Media Commission - c2186c63-905f-46e8-8822-4203d89b8392.pdf (www.gov.ie)
- 3** NUJ 1445f0bf-5889-4729-9630-e4d67bf3c5da.pdf (www.gov.ie)
- 4** CSO Corporate Profits Q1 2017-Q4 2022 - CSO - Central Statistics Office
- 5** Fiscal Council
Understanding-Irelands-Top-Corporation-Taxpayers-Brian-Cronin-Fiscal-Council-2023.pdf (fiscalcouncil.ie)
- 6** Report of the Future of Media Commission
gov.ie - Report of the Future of Media Commission (www.gov.ie)