[CH] Swiss reject Media Support Act

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In a referendum with a 44.13% turnout held on 13 February 2022, the Swiss population rejected, with a 54.56% majority, a Federal Act on a package of measures to benefit the media that had previously been adopted by the Swiss Parliament. As a result, the level of annual state aid for the media sector will remain at CHF 136 million. The package of measures would have provided an additional injection of around CHF 150 million per year. CHF 90 million per year had been earmarked for subscription-based newspaper delivery, instead of the current CHF 30 million. Trade union newspapers would have received an additional CHF 10 million, while CHF 23 million would have been allocated to basic and further training for journalists, the Press Council and news agencies.

The package of measures had been proposed on account of the contribution made by newspapers, private radio and television stations and online media to the shaping of political opinion and social cohesion through the daily provision of regional and national information. Despite their importance, local and regional media had – as was also the case in Germany – come under financial pressure: advertising revenue was increasingly going to large international Internet platforms. Many newspapers had disappeared, while private radio and television stations were generating less advertising income. This had an adverse effect on reporting from the regions, which in turn had a negative impact on society. The initiative was also designed to help combat disinformation.

The proposed legislation would have improved the position of local and regional media. The longstanding subsidisation of subscription-based newspaper deliveries would have been extended to newspapers with a larger circulation and early morning deliveries.

Annual funding of CHF 30 million would have ensured that the Swiss population could be kept informed of political, business and social topics through online media throughout the country and in all the national languages. However, the support would not have been available to free services, but only to online media partly funded by their readers.

The funds would have been allocated on a degressive basis, with small and medium-sized newspapers and online media benefiting from higher rates of support in order to strengthen reporting in smaller towns and rural areas.

Swiss private local radio and regional television stations have been compensated for helping to provide a universal broadcasting service since the mid-1990s. Under the proposed measures, this support could have been boosted by up to CHF 28 million per year.

The support measures would have been financed through revenue from the existing radio and television fee and the federal budget. Those benefiting newspapers and online media would have lasted seven years.

Opponents of the plan had argued that, under the proposed Act, the state would have “bought” the free media and thereby undermined one of the pillars of democracy. They claimed that new direct payments from the state to online media companies would jeopardise journalistic independence. Anyone who received money from the public purse could not be considered independent. State subsidies would create dependencies and freeze existing structures. They would harm free competition in the media sector and thereby stifle innovation. Opponents had also claimed that the subsidies would particularly benefit wealthy media companies with large circulations. This was illustrated by the fact that the new funding would support the delivery of Sunday newspapers, which were only published by large publishing houses. It was also unclear why only subscription-based media were eligible for support, while free newspapers and free online services were excluded. According to analysts, the plan may have been rejected because the package of measures was simply too big. It had attracted so much opposition because it contained too many components.

The rejection of this package of measures is also relevant to the debate on the promotion of local and regional media diversity in Germany. According to the “traffic light” coalition agreement, the government partners “guarantee the nationwide provision of periodical press publications and (wish to) examine which support mechanisms are suitable to achieve this”. In paragraph 5 (“Regional diversity”) of the Protocol Declaration of all States on the *Medienstaatsvertrag* (state media treaty), the *Länder* declared, *inter alia*, that, in order to “ensure diverse, professional and relevant reporting from all parts of the Federal Republic”, in addition to the existing agreements reached in connection with the state media treaty, they would “examine measures to safeguard regional and local media diversity. As well as traditional media companies, other actors (including media platforms and media intermediaries) will be included in this process”.

On a similar subject, the Swiss government (*Bundesrat*) believes it is justifiable for global platforms to compensate Swiss media companies if they use and provide access to their journalistic content. A proposal for an external consultation on related legislation will be drawn up by the end of this year.

Abstimmungsergebnisse

https://www.admin.ch/gov/de/start/dokumentation/abstimmungen/20220213/bundesgesetz-ueber-ein-massnahmenpaket-zugunsten-der-medien.html

Referendum results

Informationen zum Massnahmenpaket zugunsten der Medien

https://www.uvek.admin.ch/uvek/de/home/uvek/abstimmungen/medienpaket.html

Information on the package of measures to benefit the media