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Federal Office of Communications  
**Radio and Television**

# **The fee system in Switzerland - today and tomorrow**

The Future of the Broadcasting License Fee in Times of Media  
Convergence; Cologne 6 / 7 May 2010

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# Overview

- Background
- Variants for a new fee system
- Variants for collection
- Next steps



# Current fee system

- Factors relevant to the fee obligation:
  - An operational radio or television reception device (also valid for multi-function receivers such as computers or mobile phones);
  - Private household
  - Business
  - Various exemption categories (people requiring care, short-term residents, diplomatic missions, etc.)
- Collection: public invitation to tender for the collection mandate for seven years until 2014 (Billag AG)



# Reasons for a change of system

- Technical evolution: digitization is turning virtually any device into a receiver (e.g. radio apps on the iPhone, Swisscom TV air);
- High number of unlicensed listeners and viewers (e.g. some 80% of commercial enterprises do not have a radio licence);
- High administrative cost of registration and deregistration;
- Annoying checks performed by Billag (intervention in the private life).



# Federal Council report

Examination of 4 alternatives to the current fee system:

- Funding from the federal budget.
- Device-independent fee per capita and per business.
- Device-independent fee per household and business with an opt-out option if no reception equipment is present.
- **Device-independent fee per household and business**

([http://www.bakom.admin.ch/themen/radio\\_tv/00630/03290](http://www.bakom.admin.ch/themen/radio_tv/00630/03290))





# Device-independent fee

- Advantages:
  - Definition of a receiver no longer applicable
  - No more unlicensed viewers or listeners
  - Number of people obliged to pay the fee increases, reception fee falls
- Disadvantage:
  - Resistance from businesses or households, which deliberately refrain from using radio and television





## Summary for fee system

- The Federal Council and the National Council's advisory committee gave the administration the task of preparing a revision of the law, which is based on a device-independent fee per household and per business.
- **However:** Proposals must be made for exemptions based on social policy and waivers for certain business.
- **In conclusion:** An important milestone has been achieved, but opinions will differ, especially in the discussion concerning exemptions from the fees.



# Collection

Discussion of 2 variants:

- Collection by cantons and municipalities via tax returns
- Public invitation to tender for the collection mandate (the *status quo* )



## Next steps

- A definitive decision on asking the government to prepare draft legislation will be taken by parliament in June or September.
- Preparation of a draft by the beginning of 2011
- Public consultation and parliamentary debates in 2011 and 2012
- Adoption and entry into force in 2013



**Thank you for  
your attention!**

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**"Mr. Osborne, may I be excused?  
My brain is full."**