

Ofcom consultation: The future of media plurality in the UK

NUJ submission, August 2021

Introduction

The National Union of Journalists (NUJ) is the voice for journalism and journalists in the UK and Ireland. The union was founded in 1907 and has more than 30,000 members.

The NUJ is not affiliated to any political party and has a cross-party parliamentary group.

The NUJ represents people working across the media - as staff, casuals and freelancers - at home and abroad. Media plurality is important to many of the employment sectors that NUJ members work in including broadcasting, newspapers, news agencies, magazines, book publishing, public relations, photography, videography, and digital media.

Media plurality

The NUJ believes that media plurality is vital for a healthy, functioning democracy. Citizens need to hear a range of arguments and have equal access to information and opinions to participate in local and national democracy.

Countries which have a large number of newspapers and an independent media are less susceptible to corruption by politicians and business.

During the past three decades, media law in the UK has been about deregulation and attempts to limit media power have been dismissed. The imperative has been to open media markets, promote light touch regulation and competition. The result has been a media landscape typified as one of merger, takeover and conglomeration of major media groups.

For many years the NUJ has maintained that the current framework is insufficient to address the increasingly concentrated news and media landscape.

The Council of Europe have recommended that countries “limit the influence which a single person, company or group may have in one or more media sector”. We would argue this should apply across all types of media as well as to print, broadcast, and online media specifically.

In her report on the UK news industry, Dame Frances Cairncross highlighted how the number of “fulltime frontline” journalists have fallen from 23,000 in 2007 to 17,000 in 2019. Newspaper annual advertising spend also dropped by 69 per cent (£3.2 billion) and annual circulation revenue declined by 23 per cent (£500 million). These problems already existed prior to the outbreak of covid-19.

Journalism has been radically transformed by the arrival of the internet. It has transformed the way news and information is gathered and disseminated. It has transformed newspaper

production and it has proven a wrecking ball for a business model in which adverts paid for the news, and editorial and advertising were separate beasts. Advertisers have flocked to online intermediaries while newspaper revenues have plummeted.

The pressures on media outlets have already led to some resorting to clickbait copy using sensationalist headlines and stories and there has been a blurring of advertorials and a rise in native advertising (paid ads that match the look, feel and function of the media format in which they appear) which are not the hallmarks of trustworthy ethical journalism.

The destruction of the press – particularly the local press – has left a dangerous vacuum for trusted information and news and we have seen how, in the past 18 months, the conspiracy theorists and extremists have moved in. The lack of a robust local media has also unmoored citizens from their local democratic institutions and led to a loosening of community cohesion.

The covid crisis has shown just how vital it is to have a news media providing accurate reliable information, how desperate people are for trustworthy content and how essential it is that the government and authorities are held to account. Yet the industry has been at its most fragile at a time of greatest need.

The NUJ believes that Ofcom and the government should further investigate and invest in the provision of subsidies, levies and tax advantages to help promote a plural, independent local media. The NUJ wants to achieve a healthy diverse media, focussed squarely on the public good, one that can be sustained now and into the future.

Ofcom's questions:

1) Online intermediaries

The role and impact of online intermediaries on news consumption and the media should be further scrutinised by Ofcom. The NUJ believes that online intermediaries have an impact on media plurality and access to information in the UK.

The NUJ has long called for the monitoring and assessment of media plurality to include digital intermediaries. The Cairncross review recommended a news quality obligation be imposed on online platforms and the government's white paper on online harms proposed a statutory duty of care on online intermediaries, including the requirement to promote diverse news content.

Ofcom should be given new powers to monitor, assess and report the impact of online intermediaries on media plurality. Ofcom should also have powers to instruct online intermediaries to provide company information and increase levels of media plurality via their platforms.

2) Algorithms

There is not enough information in the public domain about algorithms, including related data and methodologies. The NUJ would like to see more information provided to the public and for the authorities to compel the relevant organisations to increase their public transparency in general but also in relation to how algorithms are used to recommend news content to UK consumers. Without knowing the factors that influence the prominence given to different news providers it is not possible to fully understand or evaluate the patterns, trends or impact.

Without more information provided for the public by both media organisations and the online intermediaries, it is impossible to assess the full impact of algorithms on the news consumption journey of UK consumers and the entire UK news media landscape.

Online intermediaries and algorithms both impact on media plurality and the NUJ believes the regulatory framework should be reformed to address these concerns. Ofcom should have the power to access, monitor, assess and publicly report on the methodologies and impact of news algorithms in respect of media consumption and plurality.

3) Market changes

The NUJ has responded to various public consultations on specific media mergers but there are no opportunities to comment on the overall change in the market, news consumption and media landscape, and these issues are not sufficiently monitored, assessed, consulted about or reported on.

We would support expanding Ofcom's remit to regularly conduct plurality reviews so it can look at the full picture on a regular basis. Any new initiatives must also consider the impact of job cuts and the closure of titles or outlets as part of the review (across print, broadcast and digital). The findings should be open to public consultation.

The national cross-media ownership rule prohibits a newspaper operator with 20 per cent or more of the national market share for print newspapers from holding a Channel 3 licence or a stake in a Channel 3 licensee that is greater than 20 per cent. The holder of a Channel 3 licence is also prohibited from holding an interest of 20 per cent or more in a large national newspaper operator (i.e. an operator with national market share of 20 per cent or more) and the secretary of state has a broad power to amend or repeal this rule.

The union does not believe that politicians should have the direct power to make decisions on media ownership as this could lead to undue interference and influence in both politics and the media.

The NUJ has consistently called for a maximum market share set at 25 per cent across all platforms and on each of the following platforms: radio, television, newspapers and online. The maximum share for news should apply to UK-wide provision. We support the lower threshold of 20 per cent, as set out above, but we want to see restrictions apply across all types of media.

The NUJ believes that any market share that reaches or is liable to reach 15 per cent should be subject to a public interest test and public consultation. Private firms would be required to divest so that their share does not exceed 25 per cent. Alternatively, relevant holdings may be organised as public trusts or other publicly governed and accountable structures, following a public interest test review and agreement.

The NUJ supports the widening of scope for the media public interest test to more reflect the way in which people access and consume news.

The NUJ supports the proposal that restrictions on advertising agencies holding any broadcasting licences should be removed, only if the broadcast output is clearly labelled as advertising.

We also support the recommendation that the restriction on publicly funded bodies holding radio licences should be removed, if it is made clear to listeners that it is a publicly funded body behind the radio output.

We disagree with Ofcom's proposal to retain restrictions on local authorities and political bodies holding all licenses. If the output is clearly labelled, then enabling a wider variety of media would increase access to jobs for media workers as well as increase the level of media plurality.

The NUJ does not have a view on the recommendation that the restriction on the BBC, Channel 4 Corporation and S4C holding Channel 3 or Channel 5 licences should be retained in their current form.