



NUJ submission in response to Ofcom consultation on measuring media plurality

November 2011

The National Union of Journalists is the voice for journalism and for journalists across the UK and Ireland. It was founded in 1907 and has 38,000 members. We are an affiliate of both the European Federation of Journalists and the International Federation of Journalists (IFJ). The NUJ represents 38,000 members working at home and abroad in all sectors of the media, including staff, students and freelancers - writers, reporters, editors, sub-editors, photographers, illustrators and people who work in public relations.

Any functioning democracy needs its citizen to have access to a wide variety of views and a rich source of information - and they need to know the source of those views and the information. The NUJ may be primarily concerned with the quality of news service provided by various media, but it also believes that the citizens of a democracy should have full access to varied and high quality choices in culture, entertainment and sport. Any investigation of media pluralism must include ownership, cross-ownership, geographical reach, political diversity and cultural diversity.

The concentration of media ownership can distort a healthy democracy. The NUJ believes it is vitally important to support the growth and availability of quality journalism across a range of platforms and providers. We believe that this is not possible by the exertion of market forces alone; indeed, it is the competitive nature of the media industry, and cut-throat practices by some of its owners, that has led directly to a diminution of choice.

As we said in our opening to the Leveson inquiry, the increasing consolidation of media ownership and the disproportionate power and influence this brings is a matter for concern. When newspaper titles, television rights and other media are bought and sold, there should be a rigorous public interest test. The highest bidder should not be allowed to simply walk away with parts of the media industry in their pocket and the accompanying power and influence that brings. Currently there is a dearth of genuine scrutiny and most sales are usually completed on the basis of a secretive sealed bid where it's only the money that talks.

It should not be possible to buy and sell media on the whim of one man, or corporation, or for it to be used as pawns to further an individual's commercial or ideological interests. A media owner shouldn't have our police and our politicians in a stranglehold for fear of their personal peccadillos being splashed over the front pages of a newspaper. No media group

should be allowed to achieve such dominance.

In the UK it has been the rise and rise of the media empire of Rupert Murdoch that has caused the greatest concerns about the effects of a lack of media plurality. His interests span film, television, cable, satellite, newspapers, magazines and book publishing. This cross-ownership and its economy of scale has allowed Mr Murdoch to cross-subsidise and cross-publicise his activities. It has allowed him to embark on savage price-cutting campaigns and bolster loss-making, yet prestigious enterprises such as The Times.

The NUJ welcomed the public interest test into News Corporation's proposal to take total control of BSkyB by acquiring the remaining 60.9 per cent of BSkyB shares it did not own. News Corp already owned a third of newspaper circulation. BSkyB, one of only two commercial TV news companies in the UK, supplies Sky News, Channel 5 news and virtually all commercial radio news. The merged company would have had a reach of 52 per cent of the adult population, with profound consequences not just for media plurality but for our democracy. It was only the unfolding scandal of dubious workplace practices at Mr Murdoch's News of World along with the public campaign of opposition that helped put a halt to the merger bid.

When media groups are so large, they wield a great deal of power. It has been only the so-called Murdoch-gate imbroglio that has emboldened politicians, including the Prime Minister to admit that their relationship with Mr Murdoch and members of his family was too close and unhealthy. Forced by these circumstances, Mr Cameron and members of his government revealed an astonishing number of occasions that they met members of News Corp, in formal meetings and on social occasions. On reflection, the NUJ believes that the power to invoke the public interest test should be assigned to Ofcom rather than the Secretary of State.

The Leveson Inquiry is looking at the relationship between politicians and the press. The revelation that members of the DCMS select committee, lawyers and witnesses to the telephone hacking affair were spied on by private investigators, is ample evidence of carrot and stick methods used by the servants of this media mogul. We share the concerns expressed by Alan Rusbridger, editor of the Guardian, when he said: that "something was dangerously out of kilter" when MPs such as Adam Price on the Commons culture, media and sport select committee confessed he had been "held back" from probing into News Corporation's affairs because of "fear of what that company might do to them" – or when former employees are "too frightened to speak publicly about what they know". This should not ever be allowed to happen.

Yet, the direct relationship between a newspaper's choice for government and the result of the election is not simple. The Sun may have claimed that it was it "wot won it" but more often it is newspaper proprietors hitching their allegiance to political parties that are gaining

popularity. The longevity of Silvio Berlusconi's reign as the leader of Italy was bolstered by his media ownership and the span of influence of his dominant media empire.

Mr Murdoch maintains that he does not dictate an editorial line. If that is the case, then why did all but one of his 175 newspapers have the same pro-war line on Iraq in 2003? He has also used his position to relentlessly attack the BBC. And his son James Murdoch has followed suit, memorably in his 2009 McTaggart lecture to the television industry.

What are the options for measuring media plurality across platforms? What do you recommend is the best approach?

While a number of options for measuring media plurality is certainly possible, the NUJ would like to make the point that because of the public interest and because of the media's role in the democratic process in the UK and in the nations of Scotland and Wales, in Northern Ireland, and in regions the cool metrics of market share or turn-over are insufficient in themselves.

Is it practical or advisable to set absolute limits on news market share?

Over the past two decades deregulatory legislation has swept over the media, and attempts to limit media power have been dismissed. The imperative has been to open up media markets, promote light touch regulation and competition. Public interest concerns have played second fiddle. The NUJ, therefore, believes that it would be right to set limits on news market share. As we have argued above, the democratic process is curtailed if one person, or media group, with a particular political or ideological viewpoint has an excessive share of news coverage among and across media platforms. We want to see the maximum market share set at 25 per cent for national news; regional news on all platforms and in each of the following platforms - radio, television, newspapers and online. The maximum share for news should apply to UK wide provision, to provision in the nations of Scotland and Wales, in Northern Ireland, and in regions throughout the UK.

We support the Campaign for Press and Broadcasting Freedom's proposal that any market share that reaches or is liable to reach 15 per cent should be subject to a public interest test. Private firms will 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.

Whether or how it should include the BBC?

The BBC is obviously a factor when assessing media plurality and its share of the market is pertinent as it is a vital part of the mosaic. However, public service broadcasting cannot be evaluated in the same "market terms" as its so-called competitors. On the one hand it is in competition with its commercial rivals, yet on the other it has a specific role and function as laid out in its charter. The NUJ is concerned that the BBC management's decision to agree to

the government's terms in freezing its licence fee until 2017 will have a damaging effect on one essential facet of media plurality – access to community and local news. More than 7 million people, according to Ofcom's own research, listen to local radio. As part of its Delivering Quality First, the BBC will be cutting the budgets of many local radio stations by more than 20 per cent and cutting Asian Network by over 40 per cent. These cuts will affect some of the most vulnerable and/or marginalised sections of society including older people and ethnic minorities.

Audience figures show that 48.7 per cent of listeners of Radio Lincolnshire are aged 65 and over. This needs to be seen in the context of what is happening to the regional and local press and which is tantamount to a massacre. The never-ending job cuts, mergers, take-overs and closures of local papers and regional paper groups has led to the major dominance of four regional groups, Trinity Mirror, the Johnston Press, Newsquest and Northcliffe. The NUJ hears almost on a weekly basis of the closure of or massive cuts to local newspaper titles.

We have also witnessed a decline in the commercial provision of news service. The outcome of the 2003 Communications Act was a single ITV company. As a result the regional companies merged, local news and programming was cut back, the money paid to ITN to provide national and international news was reduced, and popular and acclaimed current affairs programmes such as World in Action and This Week simply disappeared.

Many people who live beyond the M25, have to make do with a London or South East centric news service. This is becoming injurious to local democratic accountability and it is why it is vital that the BBC is seen outside the parameters of a commercial market-share based media model and other news providers should be given safeguards.

Could or should a framework for measuring levels of plurality include websites and if so which ones?

While it may seem that the internet has vastly increased the number of voices and views expressed – and therefore websites should be included in a framework for measuring levels of plurality - this cacophony should not be overestimated. The most read websites already belong to existing media giants and is increasingly used by people to gain access to the news sources they would normally read. But there are warning signs that the activities of Google and Facebook are leading to a monopolisation of news sources and organisations and services, especially of those with commercial links to these international, internet behemoths.

Regardless of the platform, criteria such as the audience share, circulation, turnover/revenue, the share capital or voting rights should be considered whilst assessing plurality and the production, distribution and related activities such as advertisement or telecommunications would be provide a more holistic picture to make decisions.

It has been historically appropriate that the regulatory framework 'bites' at the point of a merger or a change of licence. Hence the '20-20' rules on cross media ownership. But in a rapidly changing and converged media landscape this regulation is now outmoded and unsatisfactory.

The government's response to the erosion of local and regional news has been to relax the rules on ownership and set up commercial local TV services. They are taking money from the licence fee – money supposed to be for the BBC. Instead of slashing the BBC budget the government should support local media by investing in ventures that adhere to public interest criteria.

The BSkyB takeover was stopped – for the time being at least – not by regulation, which it should have been, but by the public outcry at the News of the World phone-hacking scandal. The affair showed all too clearly how flimsy the law to protect media diversity really was.

There is a spike in activity and an accompanying focus on the media industry that includes questions relating to plurality, ownership, regulation and culture.

The NUJ is campaigning for a curtailment of ownership concentration and against the existing dominance of individuals. A healthier mix of media could be achieved with better government intervention, improved regulation and a change in workplace culture that acknowledges the value of trade unions.