



September 2015

## **NUJ response to the DCMS/DCLG inquiry into the case for a business rates relief for local newspapers**

*The National Union of Journalists is the representative voice for journalists and media professionals across the UK and Ireland. The union was founded in 1907 and has 30,000 members. It represents staff and freelancers working at home and abroad in the broadcast media, newspapers, news agencies, magazines, books, public relations, communications, online media and as photographers and illustrators.*

The NUJ is deeply concerned about the present state of the local newspaper industry.

Our Local News Matters campaign is a response to the year-on-year cuts in jobs and closure of newspaper titles which has resulted in the loss of 5,000 editorial roles in local and regional press and the closure of more than 150 newspapers since March 2011. Picture desk employees and staff photographers are being cut across the board and production is being moved away from local papers to subbing hubs many miles away. The union believes this poses a threat to local democracy. Local politicians are not being held to account, voters are not being given a range of views and are deprived of the information they require to make judgements when voting in elections. We need local papers to ensure democratic scrutiny, accountability and to encourage informed and active citizenship.

Local newspapers and their websites are highly trusted by the 30 million-plus people who read them each week. People expect their local newspaper to be their watchdog, keeping tabs on the decisions made by local politicians, defending local services, supporting the local football team and giving a voice to the community.

When the going was good, newspaper group managements milked the profits for their shareholders and executives, made unwise acquisitions and failed to invest in journalism. By the late 1990s, profit margins ranged from a minimum of 20 per cent to 35 per cent and more. When the 2008-9 recession came, advertising dried up and then failed to migrate to newspaper websites, while newspaper groups continued to award their executives fat pay cheques and cut staff to the bone. Local newspaper groups are still profitable, but they are

sowing the seeds of their demise by failing to invest in journalism and produce quality products which provide a proper local service to their readers.

While printed newspapers remain popular, changes in technology have resulted in readers wanting access to news in different ways on a variety of digital platforms. Our members embrace many of the changes and challenges. What has not changed is the need for well-staffed, well-resourced newspaper offices which allow journalists to work at the heart of the communities they serve. The newspaper office has traditionally been a potent symbol of most towns and cities, either housed in proud Victorian edifices or cutting-edge architecture. Gradually these offices have been closed with reporters being moved to industrial estates, away from the high street, and district and local offices have been shut.

At a meeting held at the Department of Culture, Media and Sport in November 2014, John Whittingdale said: "The great selling point of local papers is that there are at the heart of their community, but, for example, my local paper in Maldon no longer has a presence on the high street since the office moved to an industrial estate in Braintree. It also seems the case in newspapers covering the county that there is less coverage of what is happening in local hospitals and councils. Stories are more celebrity driven and investigative journalism seems to have disappeared."

On 13 April, more than a hundred people gathered at Turf Square, Caernarfon, to protest against Trinity Mirror's proposal to close its Caernarfon office. Once dubbed the Welsh capital of ink, Caernarfon had long been associated with journalism and the Caernarfon and Denbigh Herald existed in various guises since 1831. Editorial staff at the Eastgate Street hub were vital to the production of the Daily Post, Caernarfon and Denbigh Herald, Holyhead and Anglesey Mail, Bangor and Anglesey Mail and Yr Herald Cymraeg. But when the lease on the building came up, Trinity Mirror decided to close it down. The union lobbied for new premises to be found, without success.

This summer, journalists in London and the south east working on Newsquest titles took strike action over a range of issues including cuts, redundancies and pay. A letter from the London Assembly, addressed to Gary Kendall, Newsquest managing editor, signed by Valerie Shawcross for the Labour group, Darren Johnson for the Green group, Caroline Pidgeon for Liberal Democrat group and Andrew Boff for the Conservative group, said the cuts posed a "real threat to democratic awareness and will undermine these local communities and business sectors. We need local papers of a reasonable quality to ensure democratic scrutiny, accountability and encourage an informed and active citizenship."

Newsquest's proposals meant that Croydon, with a population of a third of a million people, would be covered by one reporter. The plans also included closing down local offices with

staff being expected to work from cafes and pubs. Good news for Starbucks and J D Weatherspoon, bad news for journalists.

This month (September 2015), Newsquest announced the Gloucestershire Gazette would be closing its office in Dursley and would be based at its sister title, the Stroud News and Journal, ten miles away. Reporters will be expected to meet members of the public in cafes. The Bridport and Lyme Regis News office in East Street, Bridport, is also to close, after 40 years, with staff at the Newsquest-owned title expected to work elsewhere.

NUJ believes in the need for an economic stimulus plan for the media. The union supports the need for government subsidies and tax advantages for local newspapers where they fulfil clearly-defined public purposes.

The NUJ believes that the Localism Act 2011 should be amended to give local papers protected status as community assets. This would prevent newspaper titles closing overnight and give potential new owners, including local co-operatives, the time to put together a bid for the paper. Newspaper groups should not be allowed to close a paper and lock away a title that has resonance among its local community. There is also need for legislation which would prevent newspaper owners from refusing to offer their titles for sale before closing them.

The NUJ believes there is a case to be made for an investigation into business rates relief for local newspapers. The rates benefit must be used to ensure that local and district offices are kept open and re-opened to maintain a physical presence with proper staffing in the heart of the communities they represent. The inquiry should look at ways to ensure the rate relief is linked to tangible outcomes, such as a commitment to reporting council meetings, courts and providing a forum for the local community. It should not be used to for pay-outs to newspaper executives or shareholders.

The inquiry should also make a recommendation for a short-sharp, independent inquiry into the future of local news.

The NUJ has compiled a dossier of newspaper closures which can be read at <https://www.nuj.org.uk/news/roll-call-of-newspaper-closures-and-job-losses/>