



## **NUJ submission to the Communications and Digital Committee inquiry into the future of journalism**

April 2020

### **Introduction**

The National Union of Journalists is the voice for journalists and journalism across the UK and Ireland, representing a diverse range of media workers employed and working on a freelance basis across the sector.

Changes in the consumption of journalism in recent years, and the advance of digital technologies have led to many changes in the world of work for journalists. The NUJ and its members are platform neutral – whatever means of disseminating quality, trustworthy news and information to citizens is to be welcomed. However, the way in which many publishers have responded to the technological changes have been to sacrifice resources, lower headcount, rely on cheap or free content, reduce specialist editorial roles, cut freelance spend and slash investment in photography. Investment in staff, including in training, whether that is digital skills or in other professional training, is scant. Quality journalistic content has been a much lower priority than the interests of stakeholders, the requirements of investors and the pursuit of profits.

The Cairncross Review, and its implementation, represented a missed opportunity to remedy many of the systemic challenges facing the news industry. Against this background, the economic shockwaves of the current Covid-19 crisis is damaging the sector badly and the very real risk is that many media outlets will go to the wall and the damage will be irreparable.

At a time when the public needs access to information, impartial news and trusted editorial content more than ever before – we are witnessing an insatiable appetite for trusted reporting and increased engagement across all platforms as journalists seek to reflect the impact Covid-19 is having on the communities they serve.

The NUJ has responded to this crisis with a bold plan, a series of wide-ranging measures and economic stimulus proposals, aimed at ensuring that the news media can weather this severe crisis and then be transformed into a news media reimagined – one firmly rooted in the public good. It includes measures such as investment in training, diversity obligations and moves to improve access to the profession. The plan aims at boosting plurality in the sector and the provision of genuinely local content, from existing and new entrants to the journalistic landscape. This is not about maintaining the status quo, it is a plan that aims to tackle the longstanding failures of the industry exacerbated by this current crisis. Any investment of public funds would also come with conditions. Journalism plays a central role

in our lives, and in our democracy, and the current circumstances we face means a new approach is necessary to guaranteeing its ability to sustain and flourish.

As an example taken from the broader creative industries – which incorporates the news sector and is a powerful economic driver in the UK – the establishment of the Arts Council in 1946 was a watershed moment and an acknowledgement of the vital role played by the arts in our society. Today around £800m is spent on funding through the UK’s arts councils. A commensurate funding body that invests in this sector – without any involvement in editorial content – could shape the news industry for generations to come. Please read the attached NUJ news recovery plan, *From Health Crisis to Good News*, as the NUJ’s response to the committee’s consultation.



Yours

**Michelle Stanistreet**  
**General Secretary, National Union of Journalists**

### **From Health Crisis to Good News**

*A recovery plan for the news industry by the NUJ*

1. Michelle Stanistreet, general secretary of the National Union of Journalists, calls for a bold News Recovery Plan to ensure that quality local and national journalism can sustain through the immediate Covid-19 crisis, and a package of economic stimulus measures that will ensure journalists play their full part in the recovery, and reinvigorate and re-imagine the sector into the future across the UK and Ireland.
2. In a matter of weeks, the Covid-19 crisis has transformed life as we knew it. Economies at home and abroad are flailing as a virus continues to upend economic, societal and governmental norms. The impact is both macro and micro, nationwide and local. Our ability to look after and care for loved ones is compromised as movement is restricted, jobs are furloughed and pay is cut, whilst the fear or reality of illness is, respectively, prevalent and terrifying.
3. With our lives stripped back, the value of our public services is felt profoundly at a time when they are under unprecedented strain, struggling to cope, with some at breaking point.
4. Journalists have demonstrated their vital role in the spectrum of essential public services. Media workers are working around the clock to ensure the public has access to timely, reliable and accurate information.
5. On a daily basis public service broadcasting is informing, educating and entertaining us and our families in difficult times. Broadcasters have reached record audience

figures on all platforms, across all demographics. Local newspapers are being turned to for relevant incisive content, their journalists determined to reflect honestly the impact on the communities they serve, providing insight and scrutiny in challenging circumstances.

6. During uncertain times the value of proper journalism, impartial news and trusted editorial content, is clearer than ever. Yet our industry's fragility is laid bare at this time of greatest need. The media industry was already struggling, in some parts broken. The economic shockwaves of lockdown is pushing many companies, big and small, to the brink – jeopardising the livelihoods of staff and freelance reporters and photographers and causing damage that could be irreparable.
7. At a time when their content is more vital than ever, newspaper groups are furloughing staff, and cutting the pay of those who are working flat out to provide life-saving news and information. At a time when staff welfare and journalistic service should come first, some companies are playing fast and loose with their obligations to consult with the NUJ over the impact to staff and editorial content. A cynical 'never waste a crisis' approach cannot be allowed to further compromise already stretched standards and resources.
8. Journalists need to be valued and their livelihoods protected. Casualisation in the industry has deepened over many years, and this pandemic has lifted the lid on opaque employment status and the lack of state support for freelances and the self-employed. The NUJ's lobbying helped yield the financial support made available in the UK and Ireland – but more needs to be done to fill in the clear gaps in provision. Targeted measures aimed at supporting jobs and quality journalism, and bolstering independent, diverse, ethically-produced content are needed.
9. Specific intervention is needed to protect and invest in hyperlocal and community enterprises. These have provided much-needed diversity and proactivity in the press sector yet are especially vulnerable. That is why we are calling for an immediate new investment in the Future News Fund operated via NESTA, with a similar scheme introduced in Ireland, to support innovative, public interest journalism through this crisis and beyond.
10. An ambitious investment in advertising across central and local government would help shore up the dramatic drop-offs in advertising revenue that both mainstream publishers and hyperlocals are experiencing. Investment must come in exchange for guarantees on securing jobs, protecting the terms and conditions of staff and freelances and producing quality public interest news.
11. The blocking of advertising by software companies and tech giants around Coronavirus-related content is a nonsense that needs urgent resolution. Publishers cannot be penalised for rightly weighting their editorial content to the impact of an unprecedented global pandemic that is affecting all of our lives.
12. Central to funding such a News Recovery Plan is an urgent windfall tax on the tech giants whose platforms suck up editorial content, without making any contribution to its production. According to analysis by Techwatch earlier this year, the top five tech companies generated over £8.1billion from UK customers in 2018, but collectively only paid around £237million in taxes – an effective tax rate of just 2.9 per cent, meaning around £1.3billion in tax was avoided.
13. Achieving this would be straightforward – the UK has committed to introduce a 2 per cent Digital Services Tax from April 2020 on the revenues of large businesses

- providing internet search engines, social media platforms and online marketplaces to UK users. Given the current crisis, that tax should be tripled to 6 per cent and the proceeds used to fund a News Recovery Plan and ensure the tech giants play a significant role in the preservation of a sector that is vital to our democracy.
14. With a public desperate for accurate, trustworthy content, this is the time to make it more accessible than ever, at the same time as battling the scourge of disinformation. That's why the NUJ is calling for free vouchers for online or print subscriptions for all 18-and-19-year-olds and tax credits to all households with subscriptions to news outlets.
  15. This is not and cannot be about the preservation of the status quo. The emergency intervention needed now can only be the first steps towards a news reimagined.
  16. In supporting existing parts of the press, we also need to create greater diversity, including meaningful investment to help new media models get off the ground, and measures to boost quality editorial content and resources. We need to boost trust in journalism and create the environment in which quality ethical reporting is strongly rooted in line with the NUJ's Code of Conduct.
  17. We need to address some of the wrongs – including short-sighted cutbacks to specialist reporting that has blighted local and national titles at a time when many niche news publications in the magazine sector have come under inordinate strain. That is why we want governmental commitments to a range of actions – some immediate and some when the worst of this crisis is over – that will create a news industry firmly rooted in the public good.
  18. We can see around the world that the reaction in some countries is to clamp down on information, on access and on the public's right to know – we cannot allow that to happen. The things that we value, we cannot take for granted. Once this lockdown is lifted, we need to ensure that quality journalism is something that is supported, properly resourced and helped to thrive.
  19. **Global response to protect press freedom.** The International Federation of Journalists is coordinating a global response to the challenges to press freedom and journalists thrown up by the pandemic. Its work includes ensuring the safety of journalists working hard to report on the crisis.
  20. The global importance of transparency has been reinforced by the worldwide acceleration of Covid-19. Resisting the moves to clamp down on journalistic access and to evade scrutiny is vital. The NUJ and its sister unions are intrinsic to safeguarding world-wide media freedom.
  21. We also need to recognise that quality local journalism plays a critical underpinning role reporting on public health, providing an early warning protection in public health emergencies. The World Health Organization, through the International Health Regulations, has previously urged countries to boost their disease surveillance efforts. Included in the mix of “event-based surveillance” are local news reports and social media.
  22. Journalism underpins democratic societies – when those structures are under strain, it is public interest news that scrutinises decision-making, bolsters public health messaging and provides accurate information as a vital counter to potentially deadly disinformation and scaremongering.
  23. Aid packages for media are being introduced around the world, however a piecemeal approach will only go so far – the NUJ is calling for a global recalibration

of the media industry and renewed commitments to press freedom, spearheaded by the IFJ and other international partners. A vibrant healthy media, working full square in the public demonstrated just how important interest, is critical in the uncertain, credible, trusted news and challenging times we live in.

24. **Press for public good – our media re-imagined.** Journalism is a cornerstone of our democracy. Covid-19 has demonstrated just how important credible, trusted news and information is, and journalists will play a vital role in reflecting and shaping the recovery yet to come. We cannot allow this crisis to further undermine an already weakened industry, which has inevitably been hit badly by the lockdown of our communities. Instead, in acknowledging its role as an essential public service, we need to re-imagine our media industry, into one that is revived and restored.
25. For that we need a triage plan of intervention and investment – one that includes actions to stem the immediate damage being wrought, then tackles historic wounds and, prioritises creating a healthy diverse press, focussed squarely on the public good, sustained now and into the future. This investment and support must, of course, be given without any connection to decision-making on editorial content.
26. **Journalists are not seeking handouts or compensation for the industry – we are looking for investment in our future to transform the media industry, make it fit for our collective purpose and truly serve the public good.**
27. **How would we be better served by a renewed media?** All citizens should have access to easily-understood reporting of important decisions taken on our behalf – about defence, health, education and social care services, as well as the administration of justice, provision of transport, and economic planning. This should be sufficiently granular that the impact on our families and communities is evident and can be understood without any specialist background.
28. Implicit in this is the responsible and dependable reporting of the work of those who serve us such as members of the UK and Irish parliaments, devolved parliaments and administrations, local authority councillors, members of Health Boards, and Police and Crime commissioners and other bodies.

## SHORT-TERM MEASURES

- Windfall tax of 6 per cent on the tech giants, to fund short term measures in a News Recovery Plan, with an ongoing proportion of a Digital Services Tax going towards the plan's long term measures
- Jobs for journalists tax credits and interest free loans – a 2-year targeted programme for frontline journalistic news roles to support reporting through the Covid-19 crisis and recovery.
- No public money for firms making redundancies, cutting pay curtailing frontline journalistic roles, taking executive bonuses or blocking trade union organisation
- Companies receiving public funds are prohibited for five years from engaging in mergers and acquisition activity or leveraged buyouts that result in job losses or pay reductions.
- Strategic investment in government advertising, including the hyperlocal sector, involving central and local government and the NHS / HSE.
- Financial support packages for innovative, public interest journalism, providing a lifeline to smaller enterprise – via the Future News Fund operated by NESTA in the UK, with a similar initiative called for in Ireland.

- Free Vouchers for online or print subscriptions to all 18 and 19 year olds and tax credits for households with subscriptions to boost engagement and fight back against disinformation.

## **MEDIUM-TERM MEASURES**

- Establishment government-funded **Journalism Foundation** – as recommended in the UK’s Cairncross Review – to invest in local news and innovative national public interest journalistic projects, with particular encouragement for new models and startups across all platforms.
- Confer “asset of community value” status on local newspapers – like community pubs – ensuring that titles cannot be closed overnight without proper scrutiny; enabling newspapers to be taken over locally, based and located in the communities they serve and accessible to the public. Also allow the establishment of charitable status to media outlets that want it
- Tax breaks, rate relief and other financial support for local social enterprises and journalistic cooperatives taking over titles from major regional operators, running them as not-for-profit enterprises, with particular regard to areas at risk of becoming news deserts, with no newspapers operating at all, and specific support for the reporting of local government matters
- Employee representation on executive boards in receipt of public funding, from non-management roles, for minimum of 25 per cent of seats
- Independent sustainable funding of public service broadcasting that protects its universality and prevents government interference, and an end to salami-slicing cuts that are compromising quality and diminishing breadth of content
- Rollout of nationwide media literacy initiatives as a lynch-pin in tackling disinformation and fake news, with stronger regulation that clamps down on tech companies that facilitate the dissemination of fake news, and seeks their co-operation in prioritising accurate journalistic content
- Reform of media ownership rules, with a strengthened public interest test
- Training that opens up access to journalism, including apprentices for school-leavers
- Protection for whistleblowers vital at a time when health workers are being threatened for speaking out on critical issues of public interest
- Monitor potential impact of surveillance technologies being considered in response to Covid-19 challenge and easing of lockdowns – guarding against consequential impact on journalistic surveillance and targeting of whistleblowers
- Support global framework to protect and promote journalism and improve press freedom

## **Conclusion**

News should be provided by a combination of public interest broadcasting, commercial news platforms and community media. The spread of provision would allow each form of media to provide a check against the others. The provision itself would be transparent and porous, encouraging all concerned citizens to understand and participate in reporting where they are interested to do so.

Media institutions would have the authority and financial stability to be able to report fearlessly on the operation of vested interests and malfeasance.

The importance of dependable news and the ability to recognise such reporting should be hard-wired into the national curriculum.

Innovation in news provision should be a matter of national encouragement and funding to create a beneficial mosaic of news services among which invention is intrinsic.

Trust in journalism will deepen and public engagement in our democratic structures will increase, with improved ethical standards of reporting rooted in the NUJ's Code of Conduct.