

1. The National Union of Journalists welcomes the committee's inquiry into what the union believes is a crisis in news provision in Wales. In its media manifesto for Wales, the NUJ called for a publicly-owned, fee-funded BBC and greater oversight and scrutiny of public service broadcasting in Wales by the Welsh Government and Assembly, plus a vibrant and properly-resourced S4C funded and managed in Wales. ITV in Wales must be committed to public-service provision of news and current affairs and play a central role in shining a light on Welsh life.
2. The union would like to express thanks for the Assembly's support during the union's Local News Matters Week, including a statement of opinion (OPIN-2017-0033 - Local News Matters Week) which called for local papers to be treated as community assets; new rules to prevent local media outlets from closing overnight - they should be offered to potential new owners, including local co-operatives, with the time available to submit a bid for alternative media ownership in advance of any closure; action by government and employers to stem the relentless job cuts; and increasing investment, from a range of sources, for quality local journalism.
3. The NUJ Welsh manifesto reported a crisis in the media in Wales with cuts to journalist posts which has resulted in less coverage of democratic institutions. It said: "A Wales where government operates, unreported and unchallenged, is a weaker Wales. A Wales where courts pass judgements that affect individuals and society as a whole, untroubled by the critical presence of the press, is a weaker Wales. A Wales where sporting triumph, eisteddfodau crowning or community campaigning goes unheralded is a weaker Wales."
4. The decline of advertising revenue, the move from print to digital, with newspaper groups making their websites free and then increasing the cover price of newspapers has had a deleterious effect on circulation. This is a worldwide phenomenon and it can be argued that Welsh news provision has been particularly hard hit by this trend. While digital traffic is growing, the advertising revenue is not following. According to the News Media Association the revenue of the vast majority of media organisations (81 per cent) comes from print readership, with 12 per cent from digital. These organisations have

squandered the opportunity to invest in digital. Instead, they have used it to cut jobs. These media organisations have largely run a model which expects more than 20 per cent profits, almost unheard of in other sectors. As the profits were squeezed (and they spent unwisely when the going was good), their only tool to appease shareholders was to cut staff without due care for the quality of the product they were producing. The media behemoths such as Facebook and Google are sucking up advertising and hoovering up content from media news organisations. A report by OC&C Strategy Consultants forecasts Facebook and Google will take a 71 per cent share of the total ad market by 2020. Their report stated: “The scale and speed is really a call to action for media companies. By the time [Facebook and Google] get to 70 per cent of the online ad market, that doesn’t leave a lot of space left elsewhere.” The Assembly should use its influence to see how Google and the like can be persuaded to aid start-up ventures in Wales.

5. The Assembly can play a vital role in looking at ways to increasing investment in quality journalism. The NUJ has called for the strategic use of central and local government advertising and tax credits and tax breaks for local media that meet clearly defined public purposes.
6. The sorry story of the closure of Newsquest's subbing hub in Newport is a salutary tale of where investment by the Welsh government in journalism was sorely misplaced. The hub, which once employed 70 people, edited copy for newspapers as far away as Scotland after production staff were sacked on Newsquest's titles. The Welsh government paid Newsquest, owned by the highly profitable American company Gannett, £340,000 to set up the hub. The grant came, apparently, with the proviso that workers were employed until at least 2020. Newsquest reported a 20 per cent profit of £69m on turnover of £279m in the year it received this Welsh government handout. The Welsh Government confirmed Newsquest also received support under the Skills Growth Wales programme in 2013/2014, of more than £95,000. The hub has now closed with the remaining 14 staff losing their jobs.
7. The lesson of the Newport debacle is that a more strategic approach is required. The Port Talbot Magnet, a not-for-profit community co-operative, was set up seven years ago with a £10,000 grant from the Carnegie Trust. Despite breaking many stories and being popular with readers, the economic pressures on all businesses in Port Talbot following the steel crisis made it

impossible to support a local news service through advertising alone and in September 2016 the paper was closed. This is exactly the sort of enterprise that should have been supported. Grants should be made available to start-up media enterprises and the Assembly should be encouraging councils and other public bodies to support them by advertising and sponsorship.

8. The NUJ believes newspapers should be given the status of community assets with new rules to prevent local media outlets from closing overnight and allowing titles to be offered to potential new owners, including local co-operatives, with the time available to submit a bid for alternative media ownership in advance of any closure.
9. Trinity Mirror's Media Wales is the most prominent local news publisher, owning the daily Western Mail, Daily Post and South Wales Echo and a stable of more than 10 weekly publications covering areas in both south and north Wales. Trinity Mirror has taken over Local World titles of the daily South Wales Evening Post and two weekly titles – the Carmarthen Journal and Llanelli Star. This has led to the merger of the Swansea-based South Wales Evening Post website with its Wales Online platform. In 1999 there were almost 700 editorial and production staff at Media Wales. At the end of 2015 Media Wales employed 100 production staff, plus 57 in sales and distribution and 11 in administrative roles. Trinity Mirror makes no secret of its practice of cutting what it describes as "traditional roles" and replacing them with more digitally-focused roles. The NUJ is concerned that this is leading to a loss of reporting specialists who are experts in their field. Trinity Mirror's business model is based on increasing the number of visitors to its websites, and the concern is that this is leading to a greater emphasis on lighter, lifestyle-type material at the expense of more traditional coverage of councils. With greatly-slimmed down newsrooms, our members have noticed acceleration in this trend, which is very worrying in the context of wanting a better-informed electorate.
10. People are doing their best with ever-diminished resources, but it becomes increasingly difficult. However, due to the dedication of our members and the long hours they put in, quality journalism still exists, for example the widely-praised coverage of the Aberfan Disaster around its 50th anniversary last October.
11. Last year, NUJ members at Trinity Mirror North Wales voted to ballot for industrial action over the company's plans which moved Daily Post's political

reporter to North Wales, resulting in no specialist based in Cardiff covering the Welsh Assembly. The plans resulted in unfilled roles, including the newspaper's executive editor, and the abolition of one digital reporter. This followed two former Daily Post reporters being transferred within Trinity Mirror and not being replaced.

12. As part of the BBC's local democracy reporters' (LDRs) scheme, which is using £8m of licence-fee payers' money to fund reporters to work for commercially-owned local newspapers covering councils, Wales has been given an allocation of 11 so-called LDRs. During correspondence with Welsh Assembly AM Simon Thomas over the sacking of the Daily Post's political correspondent covering the Assembly from Cardiff, Trinity Mirror's CEO, Simon Fox, said: "It is worth you knowing that we remain in discussions with the BBC about synergistic working. It may be, emerging from this, that further improvements to our political coverage may be possible." The NUJ needs to have assurances that vacancies are not plugged by these LDRs. This would be a very cynical use of the scheme.
13. Journalists at the Daily Post discovered their office was closing in a press release from Lidl supermarket, which is planning to take over the site for redevelopment. The newspaper staff is to move to new facilities five miles away in Colwyn Bay later this year after 16 years at its office in Vale Road, Llandudno Junction, Wales. The title has an average daily circulation of 21,802 copies and records 99,963 unique daily visitors to its website, according to the latest ABC figures. The Post team will share space with staff on the North Wales Weekly News, the Caernarfon and Denbigh Herald and the Bangor and Holyhead Mail series in the new office – making up about 30 journalists in all. The Press Gazette said the staff had not been consulted and knew nothing about it until they read the Lidl press release.
14. There are substantial Welsh towns that do not have a local newspaper or professional journalists covering them, such as Neath and Port Talbot (combined population 88,000) since their newspapers were closed by Trinity Mirror in 2009. The population of Neath-Port Talbot county borough, the eighth largest local authority in Wales, was 141,000, according to the 2011 census.
15. In April 2015, more than 100 people, including council leaders and local MPs 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 has existed in various guises since 1831. The chapel said it would also take journalists further away from the communities they are meant to serve and would affect the Welsh language service the company would be able to offer customers and readers should the office close.

16. The NUJ has been reporting problems in the industry in Wales for some time. Michelle Stanistreet, NUJ general secretary, told the All Party Parliamentary Group on the media in Wales in July 2012: "As local newspaper groups are bought up by large conglomerates with headquarters in London and the USA, Welsh newspapers have found they are losing their distinctive voice. The industry is being hit by the UK and worldwide crisis – in the past seven years, 20 per cent of the UK's local papers have closed with only 70 new launches. The blame has been put on the transition to the internet with a lot of content being made free, the drop in advertising revenue caused by the recession and falling circulations. But it is not as simple as that. Between the start of 2003 and the end of 2007, Media Wales's profit margins averaged 34 per cent, peaking at 38 per cent for the 12 months to the end of 2005. These profits made Media Wales one of the most profitable companies in Wales of any kind, let alone in the media industry. But these profits were not invested in the business. When Sly Bailey, Trinity Mirror's chief executive, left the group, she had pocketed more than £14 million, despite the workforce being cut by a half and a share price that plummeted by 90 per cent during her tenure."
17. A common response of owners such as Trinity Mirror is to point to their substantial gains in digital audience share, but this belies the loss of journalists and their experience and the resulting loss of local community coverage as newsrooms have become centralised. Print newspapers remain important resources for many communities, but more important are the journalists they employ and the duties they have in proving information and the scrutiny they provide in the service of local democracy. Recent research into the impact of so-called 'news black holes' on audiences has recently been carried out at Cardiff University. The study examined the town of Port Talbot following the 2009 closure of its weekly newspaper, the Port Talbot Guardian. Its findings included:

- Local people were heavily reliant on word of mouth for their news, meaning rumour and speculation were key features of any public debate or discussion.
- Local institutions were opaque and it was difficult for members of the public to navigate them, to obtain information, get answers to their queries, or complain.
- People were falling back on unconventional means to obtain information, including protest graffiti.
- Frustration and anger was common and it was most marked in the youngest members of the community. They spoke at length about their willingness to riot to make their voices heard.
- News provision by traditional media had been diminishing in quality for many decades as resources were withdrawn from newsrooms, but important markers of quality deteriorated more rapidly when journalists were dislocated from their communities at the closure of the last two local newspaper district offices.
- A significant finding was that election turnout averages in council, Welsh Assembly and general elections, which had historically been above national averages in the local Aberavon constituency, fell and subsequently remained below the national average around the time of the closure of the newspapers' district offices. This suggests in stark terms the likelihood of a serious democratic deficit following the withdrawal of local print journalists from the community.

18. In November, 2016 Trinity Mirror announced the closure of its Cardiff printing press with 33 jobs affected.

19. There have been more than 100 job cuts at BBC Wales since 2012, with £10m slashed from programming budgets in the same period. Investment in English language programming has fallen by 32 per cent in real terms in the past decade. Despite this, the BBC in Wales continues to play a central role in the lives of the people of Wales. BBC Wales has two reporters and a producer covering Westminster.

20. Funding for S4C has been cut by £18.2m since 2009. Its Newyddion 9 news bulletin is watched by 18,000 viewers per episode while the political debate programme Pawb a'i Farn attracts 13,000 viewers per episode. S4C regularly attracted audiences of above 20,000 for eisteddfodau coverage in 2014/15.
21. There is no published separate budget for ITV Cymru Wales, though estimates based on Ofcom sources put it at about £7 million. The overall budget for all ITV's English regional and Welsh output is £64 million, down from more than £100 million and now frozen in cash terms. The gap between the programme makers' ambition and their financial resources is sometimes apparent, for example ITV Cymru Wales rugby world cup programmes lacked pitch-side presentation, unlike ITV network (and S4C).
22. About 10 years ago in north Wales, the BBC's online offering was being served by a dedicated news service and a magazine operation, in the guise of the Where I Live teams. BBC Bangor and BBC Wrexham each had a producer, researcher and news reporter dedicated to serving the north-west Wales and north-east Wales regions. These services were put to the sword in a reorganisation prompted by complaints of the newspaper industry that the BBC was over-stepping its remit and hitting local newspapers. It resulted in one producer role in north Wales merging into the general news online services, along with the two reporters. The researcher posts were lost entirely, while another producer took voluntary redundancy. The Where I Live sites were closed and local news need was supposed to be met by the regional news indexes.
23. The English language News Online in north Wales is now covered by three posts – half the number of 10 years ago. But not a single member of this north Wales online team is dedicated to covering north Wales's stories. They are in the general online shift mix, working rotas to maintain the site and stories from a Wales-wide perspective.
24. Reorganisation of BBC Wales services to meet complaints from the newspaper industry has worsened that position, while the response of the newspaper industry was not to invest in the perceived local hole being left by the BBC – but to accelerate cuts to its local reporting. But, should public bodies, such as the BBC, be investing licence-fee cash in the private sector, rather than back into its own local services? Recent history of local newspaper investment in its own local journalism in north Wales does not bode confidence.

25. Lack of media plurality is a major problem in the press in the UK. Research commissioned by the NUJ revealed that 45 per cent of 380 Local Authority Districts in England, Scotland and Wales were served by a single regional newspaper publisher providing one or more titles. Therefore, the UK regional newspaper market contained 165 local monopolies. Analysis of local newspaper digital output also found that lack of plurality was often not affected when online news provision by regional titles was taken into account.

- Mapping changes in local news 2015–2017: more bad news for democracy? Dr Gordon Neil Ramsay, deputy director for the centre for the study of media, communication and power at King's College London
<https://www.nuj.org.uk/documents/mapping-changes-local-news-2017/>
- Journey to the centre of a news black hole: examining the democratic deficit in a town with no newspaper, Rachel Howells
<https://www.nuj.org.uk/documents/journey-to-the-centre-of-a-news-black-hole-examining-the/>