

3 July 2012.

Jeremy Hunt MP  
Secretary of State DCMS  
2-4 Cockspur Street  
London  
SW1Y 5HD.

Dear Secretary of State

### **Future of the local press**

I write to bring your attention to the recent decision by Johnston Press plc to turn several of their daily newspapers into weekly titles, a move which appears to indicate a growing trend. The decision has major implications for the economic and political health of the affected areas.

As well as journalists being made redundant and assurances from Johnston Press chief executive Ashley Highfield that news will be published “across other platforms” such as papers’ websites, iPhones and tablet computers and more reporters will “tweet”, reducing the number of pages of news print available to each community from several hundred a week to around 100 cannot but have an impact on the coverage of those areas.

While many accepting that many people will read news electronically, others neither have access to the technology nor wish to do so. Such individuals may well already be elderly or marginalised – and the JP decision cannot do anything other than lessen the political awareness and involvement of such individuals or make them more difficult for elected representatives (at any level) to contact or represent.

Others have already covered knock-on implications. Individual news sellers will go out of business, probably in their tens in Yorkshire alone. Newsagents – particularly sole traders – will be hit. Daily newspapers attract “footfall” and this will diminish as soon as the titles become weeklies.

Advertisers will only be able to promote themselves once a week, rather than five or six times. They will have less choice in deciding when to advertise, a factor that may well affect their businesses (and workforces) detrimentally.

The strategy recently announced by Mr. Highfield appears to be principally a move to try to assuage the predominantly state-owned Royal Bank of Scotland. JP has a market value of between £30-£40m

but debts – primarily the result of a debt-funded acquisition spree at the height of the market – of approximately £340m. RBS has been charging JP about 10 per cent per year for that facility, at a time when the Bank of England basic rate is 0.5 per cent.

If there is ever an example of a situation where flexibility on behalf of the banks is required in order to let a major employer “ride” the current economic downturn, then this surely is.

Also, newspapers are unlike many other products in that they have a position in the economic, political, social and cultural corpus. Any reduction in the coverage of these aspects of individual and collective life can only be to everyone’s detriment.

Moving from the specific, you will be aware that according to figures from the National Union of Journalists, in the past seven years, some 20 per cent of the UK’s local newspapers have closed, with only 70 new launches. That’s more than 240 titles off the stands, leaving some sizeable towns without a local paper. **This has a serious democratic deficit.** Like the NUJ, we believe that the crisis has been driven by the relentless squeeze on profits. It’s investment that is needed, not higher pay and bonuses for executives.

The Leveson Inquiry and the forthcoming green/white paper on the future communications bill, give the coalition government a unique opportunity to recommend policy changes which will strengthen the local press. This could be by way of subsidies and tax advantages for local newspapers. The government is currently considering ending the requirement for councils to publish public traffic notices in the local press. If agreed, this would cost local papers considerable income. The government should reject this proposal. Will your department recommend that the government consider industrial levies – a tax or charge on media organisations, which are common in a number of continental European countries is one option to provide support for the local newspaper industry?

Without positive intervention, the future holds the prospect of further local newspaper closures, falling circulation and revenue, with the attendant round of cuts and redundancies. Local democracy and local communities will continue to be the losers. Just what action is the Department considering to put to government?

Yours sincerely

Barry White  
National Organiser