



Select Committee on Communications and Digital

Uncorrected oral evidence: The future of journalism: follow-up

Tuesday 26 January 2021

3 pm

Watch the meeting

Members present: Lord Gilbert of Panteg (The Chair); Lord Allen of Kensington; Baroness Bull; Baroness Buscombe; Viscount Colville of Culross; Baroness Grender; Baroness McIntosh of Hudnall; Baroness Quin; Baroness Rebuck; Lord Storey; Lord Vaizey of Didcot; The Lord Bishop of Worcester.

Evidence Session No. 1

Virtual Proceeding

Questions 1 - 12

Witnesses

I: Matt Rogerson, Director of Public Policy at Guardian Media Group; Gary Shipton, Editorial Director, JPIMedia; Peter Wright, Editor Emeritus, DMG Media.

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Examination of witnesses

Matt Rogerson, Gary Shipton and Peter Wright.

Q1 **The Chair:** Welcome to this session of the House of Lords Select Committee on Communications and Digital. Welcome to our guests today. We are discussing our recent inquiry on the future of journalism. We are joined by three guests: Matt Rogerson, who is director of public policy at the Guardian Media Group; Gary Shipton, who is editorial director at JPIMedia and a member of the legal, policy and regulatory affairs committee of the trade body News Media Association; and Peter Wright, who is editor emeritus at DMG Media, publishers of the *Daily Mail*, the *Mail on Sunday* and MailOnline.

Thank you all very much indeed for joining us. We have about an hour and a half of your time today; we are very grateful for that. I think you all submitted evidence to our inquiry and we have talked to you since our report was published.

We would welcome, first, some feedback from you, with your thoughts on the report and the issues that we covered. Perhaps you can start off your remarks with a brief further introduction. We will then break the discussion down into four areas.

We would like to talk to you about the relationship between platforms and publishers and the digital advertising market, which was a key theme of the report. Lord Colville and Lord Vaizey will lead on that.

We will then move on to talk about plurality of the media and diversity in news organisations. Baroness Grender will lead on that.

We will then move to initiatives to support journalism, which we touched on at some length in the report. In particular, we said that we thought that there was a need to better co-ordinate the various initiatives that are out there to support journalism and news media organisations. Baroness Rebuck will lead on that.

We will finish with a discussion about journalism as a career. Baroness Quin will lead on that.

Thank you all again for joining us, Matt, Gary and Peter. I invite you to briefly introduce yourselves, in that order, tell us a bit about the perspective of the organisations and the media you represent, and give your initial reaction to our report and any issues arising from it.

Matt Rogerson: I am the director public policy at Guardian Media Group. Guardian Media Group is the publisher of newspapers called the *Guardian* and the *Observer*, which are both print and digital publications, which are accessed globally and available to readers around the world. We also have *Guardian Weekly*, which is a weekly publication that is also available anywhere where readers are across the world, within limits. I have been at the *Guardian* for seven years. Before that I worked at Virgin Media, a cable company in the UK. Before that, I worked in Parliament.

My job at the *Guardian* is looking at aspects of regulation that inhibit either the ability of journalists to do their job or the ability for us to monetise the content they produce. With that in mind, looking at the report you created on the future of journalism, it does an excellent job in pursuing the question of whether the platform power dynamics, versus publishers and other businesses that use them, are in a good place, or whether we need intervention from competition authorities. The points you make about the advertising market are excellent and help to push the Government towards accepting the recommendations of the CMA. It was a really welcome report.

On looking at the lifeblood of our industry—journalism, journalists and how we get journalists through to produce journalism—the report touched on some really important areas to do with the apprenticeship levy and diversity of workforce. It is a job well done, from my perspective.

Gary Shipton: I want to start by thanking you for investing the time you have in this investigation and report. It is a critical time for journalism, particularly local journalism. I cannot tell you, as an industry, how much we appreciate your support, and that is very heartfelt. We have new owners of our business. They took over two weeks ago. I would not presume to speak for them, so any comments I make today I make as someone who has edited papers for 40 years and who represents some of the regional press on the policy committee of the News Media Association. I just want to make that clear.

It is a very comprehensive report. It touches on some critical issues. There is the unfair playing field that we face with the tech platforms, which is, in many respects, critical to our futures as we continue to transition from print newspapers into digital providers of content. You touch on the business models, effectively, that will be necessary going forward and the help we might require in order to complete the transition and protect quality local journalism. I am sure I am where you are: the most important thing to me is quality, accurate, honest, trusted local journalism that people can rely on. We have no interest in clickbait or driving vast numbers of pageviews. We are here to serve the communities and to find a way in which we can continue to fund that, as newspapers play a decreasing role, although not an impossibly small role, in funding it.

I also welcome your comments about diversity and how we create a more diverse workforce. It is something we give a lot of thought to as a business because, ultimately, we want our journalists to reflect the communities they serve, in all their fullness. It is certainly true that attracting the kind of diversity that we seek has become increasingly difficult in recent years.

A big thank you from me, and thank you for giving up the time this afternoon as well to speak to us, which I greatly appreciate.

Peter Wright: I am editor emeritus of DMG Media. We publish a range of newspapers and websites: the *Daily Mail*, the *Mail on Sunday* and MailOnline, but also *Metro* and metro.co.uk, and, as of this year, the *i* and inews. They are very different editorial products, selling to and representing different markets.

I have been a journalist for 45 years. My job, primarily, is to protect freedom of expression, but, as we have seen over the last decade, there have been extraordinary changes in the way our products are distributed and financed. There have been increasing threats to freedom of expression caused by lack of resource, which has also caused problems with maintaining the sort of diversity we would want in our workforce.

For those reasons, I very much welcome the time and care the committee has put into investigating the future of journalism. I welcome your report, which I think is doing a great deal to help the Government bring the issues, particularly with the online platforms, to the top of a very crowded political agenda.

Q2 **The Chair:** Before we move on to the areas I mentioned, can I start with a slightly philosophical question? It struck me that, as we got into the report, one of the first discussions we had was about what journalism is. We and witnesses talked about the role of journalists in investigating, but we did not get a lot of evidence about reporting. Gary talked about the importance of local news.

In the rapid news world that we live in, where news is breaking all day, every day, and newspapers in particular are not in a position to break news, I wonder whether the role of newspapers in reporting is less than it was and they are increasingly becoming journals that investigate, which may have longer-form, editorialised pieces, rather than reporting news. If so, is that a problem?

Peter Wright: This is something I have observed over more than four decades. When I began on a local paper, we basically reported events. We carried a bit of opinion. We had leaders, but not a great deal. Over the years, television was able to do the straightforward job of reporting of events more graphically than a newspaper could, because of its access to filmed footage and the regulatory structure of news media in Britain, which meant that television had a duty to be impartial but newspapers did not. Newspapers have tended, over recent decades, to offer more opinion, because they are able to do so and television finds it more difficult. Newspapers only produce one edition a day, so they cannot do rolling news.

That then changed again, beginning about 20 years ago, with the internet. If you look at websites—ours would be no exception—the pendulum has rather swung back and they concentrate pretty heavily on breaking news. They carry opinion, but it is less prominent and, relative to news, there is less of it. It is simply a matter of tailoring your journalism to the opportunities that are available to you and the means of presentation that you have available.

The Chair: Matt, does that cycle make sense from where you are coming from?

Matt Rogerson: I think so. Technology has enabled some amazing new forms of journalism, which we at the *Guardian* do particularly well. The live blog was a *Guardian* innovation. Andrew Sparrow's excellent work on the UK politics live blog attracts huge numbers of readers every day, as do global live blogs, which pass from the team in Australia to the UK to New York. Those new forms of journalism bring together what is going on, with source material that has been verified by journalists and brings together that content in new ways. They are an excellent addition to the journalistic output.

Investigations are expensive, hard and take a lot of time. They are the gold-star bits of work that journalistic outfits like to do, whether it is the Panama papers, the Paradise papers or the Snowden stories. They come along once in a lifetime, or once every few years. They are the key things we need to keep investing in. They are why people have a connection to news and why people trust news organisations when they are able to hold truth to power and investigate those sorts of issues.

It would be a really terrible thing if the news output resorted to comment and commentary written from home. That is certainly not where we want to end up, in terms of the news we invest in. We have done a couple of initiatives that have been particularly excellent and speak to some of the issues that come up in this inquiry. There is the "Anywhere but Westminster" strand of videos that John Harris and John Domokos do, where they get out of Westminster and go and see what is actually going on on the ground in communities. During the Brexit debate, I am told that senior members of the leave campaign realised they were winning when they watched those videos; they understood what was happening on the ground with a sense of that campaign hitting through.

The same is true of the "Anywhere but Washington" videos that we have done over in the US, where you got a sense of why the Trump phenomenon was happening. Those bits of journalism are incredibly important. Those are the sorts of journalism that shine a light on movements that are happening in society and tell a story about where we are as a society.

The Chair: Gary, I would guess that you would argue that, from the perspective of local newspapers in particular, the role of news in reflecting the lives of people in their communities is as important as ever.

Gary Shipton: Yes, I would agree with that. I would also agree with your earlier analysis that newspapers, particularly local newspapers, are not there to break news. They—particularly the hundreds of weekly newspapers we have—are there much more to offer a digest of what has happened. The typical local journalist will also be supplying the brand's website, which is very much there to provide breaking news, in a way they were not doing 10 or 20 years ago.

If you were a journalist on the *Chichester Observer*, which is one of our titles, a weekly newspaper, you would have been pulling together the stories for a weekly summary. It is not now quite 24/7—that would be an exaggeration—but from 7 am until 9 pm, seven days a week, you will have someone who is on duty, to make sure we have any breaking news that goes on our website. That is then served through the digital and social platforms, and we will also be rewriting it into a form that takes a more considered view of what has happened for the newspaper itself.

We have daily newspapers in our group, in the big cities, with the bigger titles like the *Yorkshire Post* and the *Scotsman*. Even there, while they will be closer to breaking news, it is a more considered approach that they take, in balance with the website that they also offer.

Q3 The Lord Bishop of Worcester: Thank you to the three of you for your help with the inquiry and for being with us today. This is rather a footnote to the report, but, as things move online, I wanted to ask you about the change that has taken place. In the good old days, a newspaper would publish an article, and then, if you wanted to respond, you might write a letter; if you were lucky, you would get it published.

Nowadays, of course, people can comment online, and do so with great frequency. I bear the scars of that. I helped to rescue a man from the river during the last time we had floods in Worcester. There were quite amusing responses. When I was interviewed, one person posted a comment saying, "Self-aggrandising good Samaritan". More seriously, for the *Guardian* online for example, some of the comments on "Comment is free" can be absolutely vicious. I wonder whether you think that development is in the public interest.

Matt Rogerson: It is a very good question. Getting that balance between the content we publish and giving readers the ability to comment is tough. We have undergone a process, looking at the comment policy on our site. We have actually cut down a lot of the threads that used to be on the site, where we did not think they were necessarily adding to the level of conversation that we wanted to see. Our view on comment is that it should add to the general sense of the article that we publish and should not become a place in which people feel free to hurl abuse or negative or unpleasant comments.

At the same time, we do not take down a great deal of comment. We allow people to express themselves. We pre-moderate a lot more threads than we used to. We do not open certain threads where the issue is controversial. I am not sure whether the story that we covered regarding your rescue was controversial.

The Lord Bishop of Worcester: No, that was the local paper. I do not want to blame the *Guardian* for that.

Matt Rogerson: There is an issue that gets slightly into the weeds. Where we publish content on a social media platform, on Facebook for example, we have no ability to moderate comments on the page where we publish that article.

There is an ongoing debate, as part of the Australian news media bargaining code, about whether the platforms should make greater tools available for publishers to determine whether they allow comments or not on articles published on those platforms. That has been lobbied out of the final code as it is at the moment in Australia, but that is certainly something to consider in relation to the online harms legislation: whether those tools should be provided to publishers and whether there should be more optionality in how comments are moderated on publisher pages.

Peter Wright: Like the *Guardian*, we put a lot of effort into moderating comments. We cannot moderate all of them, but we have a flagging system. Like the *Guardian*, on stories where we know we are likely to get either very abusive comments or comments that may be libellous or in contempt of court, we do not allow them.

I would also echo what Matt said about the problem with comments appearing when stories are shared on Facebook. There may well be an argument for saying that publishers should have control of that, rather than Facebook. This is something we have been addressing in Australia, where there has been some very good and advanced thinking in this area.

Gary Shipton: I agree with you. We removed the commenting function on most of our websites a few years ago because it was abusive, aggressive and bullying. We did not have the resource to monitor it to the extent that we would wish. Some of our bigger sites retained commenting where they had the ability to maintain the level of moderation that we would have wanted to meet our own standards.

I believe that some form of commenting will be important. We want to engage communities and individuals in stories as much as we can. It is very important that people feel that they have an opportunity to express themselves in a free society. It just needs to be done responsibly. An area that I would favour in some way, but it is nothing more than an idea, is how we could build more community moderation of comments. I am talking about local papers here. The community itself would be policing the comments the community was making about stories. There is some opportunity there.

Peter referred to commenting on Facebook. We do not control the comments on Facebook, but we watch very carefully any stories that we post on Facebook that might produce commenting that could interfere with a court case and be in contempt. We will remove those threads, as a responsible publisher. It is something we give a lot of thought to, because we are utterly opposed to trolling but wholly in favour of people having their say. It is a difficult balance sometimes.

Matt Rogerson: Could I add one point that is relevant to both this inquiry and the next one that you are undertaking? When we did a study of comments on our site, we found that the journalists who were more targeted than not were women and people from a BAME background.

There is a serious issue here about the freedom of speech of folks from minorities being under more threat than other elements of society.

The other thing to note, if one wants to be positive about good spirit in society, is that the people who are leaving negative and abusive comments are a very small proportion of the audience. It is just that you have to make sure you catch it when it happens. That is what we try to do.

Q4 **Baroness Quin:** I have a follow-up to your question to Gary, Chair. I wanted to raise it because I know, Gary, that your organisation is one of those that has absorbed a lot of different regional titles up and down the country. That process can be welcome if it keeps titles going that otherwise would have disappeared. None the less, do you feel that there is a particular responsibility in those circumstances to ensure real, genuine local and regional news?

I ask with a bit of concern. My local newspaper in Northumberland, for example, had recommendations of places to visit, not one of which was nearer than 350 miles from where we are. Another recommended visiting a museum in South Yorkshire, which is about half way to London from here. I do not want to take up the committee's time, and I am quite happy to write to you with some examples of this. Do you feel that, when you are absorbing different publications from around the country, there is a real responsibility to ensure that people, particularly in these times, have access to very local and regional information?

Gary Shipton: Yes, I do. It is absolutely true that, since 2008 and the financial crisis, particularly as we grew our websites, which will be very important to us in the future, and newspapers continued to reduce, we produced and used more central content on some of our smaller titles. I do not know which particular title you are referring to, but it might be the *Northumberland Gazette*, which is a beautiful newspaper.

I believe passionately in local journalists and local editors serving local communities with local news, and that you have someone in the community who is held accountable for what is published, whether it is on the website or in the newspaper. I accept that there have been commercial pressures in the past that have meant that that has not always happened as we would wish, but that is very much our focus.

The *Northumberland Gazette* in particular is a title where I hope we can be more local in the future, so I agree with you. The more help we can secure in the short term to help us through this transitional phase, the more we can invest in the kind of journalism that I know local people would wish to see.

The Chair: Let us move on. An important section of our report discussed the relationship between platforms and publishers and the state of the digital advertising market. Let us discuss that.

Q5 **Viscount Colville of Culross:** Good afternoon. Thank you all very much for your evidence for the committee inquiry. Also, thank you for your kind

comments about the report that we put forward.

Matt, you talked about the Australian bargaining code. One of the issues that came up was the platforms' refusal to pay for any of the news content that was provided by the media. Australia was taking the lead with this mandatory bargaining code. However, we have had this shocking bit of bullying from Google Australia that said that if the code goes ahead it would withdraw Google Australia news, and it will not back down on that.

Do you think that, in the light of that, we should go ahead with the recommendation and push DCMS or whoever to make sure that we have our own mandatory bargaining code in order to ensure that we get some payment by the platforms for the content, or should we be concerned by Google's threat? Matt, you brought up this issue. Could you start off with the response?

Matt Rogerson: We saw the Google move coming a few weeks, if not months, back. If you look at the Senate economic committee, you will see that it has also engaged the US Government to lobby against the Australian proposals. It made those suggestions based on the idea that payment for content would break the internet. That was slightly undermined when, the day before, it had sealed a deal in France to pay for links and snippets in general search. Anybody who was able to use Google, or another search engine in fact, could have found a news story to confirm that that was the case, so the threat seems slightly hollow.

Should Google pay for the use of content for commercial purposes in the same way that Microsoft News, Yahoo! News, or start-up news aggregators do? It probably should. The Australian code is a good step forward in trying to equalise relations between trillion-dollar platforms and what are relatively small publishers in the grand scheme of things. The question it begs is: if a company like Google is prepared to remove services from a market like Australia, what measures does a competition regulator need to have in place to safeguard consumer welfare if that was to happen? What measures do you need to have on the interoperability of Google services? Does a Google Home become an expensive paperweight, or should you be able to get Amazon Alexa on that device if Google was to exit that market?

It raises all sorts of questions, which become quite uncomfortable if you are Google, about the consequences of the expression of its market power. Unfortunately, I do not think those questions will go away. They are only going to get louder. The work of the Australians is building on the work of the UK, the EU and the US. In every territory where we have operations or readers, regulators are looking in the same place and at the same issues. They are looking now to think about how we get long-term solutions to those issues.

Peter Wright: I regret to say that Google, in particular, and Facebook are overplaying their hand. They know regulation is coming. It is coming here, in Australia and in Europe. America is going down a slightly different route but is probably even more effective at using its legal

system to break up these monopolies. Matt is absolutely right: America is telling the Australian Government that search does not work if it has to pay for content, so it will withdraw it, while, in other territories, it is offering to pay for content.

Payment for content is coming. The only argument is whether it will be done in the way our other commercial relationships with the platforms function, which is through take-it-or-leave-it offers, which are changed and made less advantageous at will by the platforms, or whether there will be someone to hold the ring between a monopolistic platform on the one side and a quite correctly and rightly pluralistic and diverse news industry on the other side.

I very much welcome the support your report gave to the view that we need some form of regulation in this area as soon as possible, backed by legislation.

Gary Shipton: I would endorse what both Matt and Peter have said. Your report was spot on in saying that there is a fundamental imbalance of power between news publishers and platforms. The likes of Facebook and Google are dominant, and they can stipulate the terms on which they use publishers' content. To be clear, all we are looking for is a level playing field and a fair payment. All we are saying is that we want some transparency. We want to understand what our content, which is very expensive to source, is generating for these groups and have a fair share—a fair royalty, if you like—as any other creator of content would want.

In the end, it is fundamental to the news ecosystem because, quite clearly, if we cannot earn the money from these platforms to pay for the journalism, in the end the journalism will not be there. It is not unreasonable. We are not asking for anything that is unreasonable. We think we should be very firm and strong. We knew that this pressure would be coming along. We think it is absolutely right that there is a fair payment method. I applaud what the Australian Government have done.

Viscount Colville of Culross: Matt, I particularly liked your muscular response to that and the fact that we should not be bullied by Google. You mentioned interoperability. Is that being rolled out by any other regulators anywhere? How difficult would it be for the UK Government to try to impose in the digital environment?

Matt Rogerson: At a general level, the EU is looking at interoperability as part of its Digital Markets Act. Interoperability is also in scope of the proposed digital markets unit. It is really important that interoperability is done after consultation that a regulator takes, rather than on a platform's own terms. You need to make sure that interoperability is genuinely in the interests of third parties that will be able to integrate with services and create competition, rather than it being faux-interoperability. A good example is your ability to transfer data from Facebook; my understanding is that you download a bunch of PDFs, which are kind of unusable. You

need interoperability to work according to open standards. That will be increasingly important as we go forward.

One of the big issues with the online advertising market and the issues that we have there is that Google's adtech services are interoperable with third parties, but they give a preference to Google's other adtech services in how they operate. You are talking about milliseconds of difference in how those systems interoperate. Those can give massive advantages to the incumbent in terms of preferencing their own adtech or advancing their own services in ways that might seem invisible but are incredibly important. You have to go through it in quite a forensic way to understand and ensure that interoperability delivers genuine parity.

Viscount Colville of Culross: Peter or Gary, do you have anything to add about interoperability, or what else we can do to try to push back against bullying by the tech platforms?

Peter Wright: There is a very interesting development, which you may or may not be aware of. Google is trying to get rid of third-party cookies in digital advertising. Third-party cookies are the currency of digital advertising. They are the means by which we have been able, over the last few years, to sell advertising through a range of intermediaries. Google is introducing something called Privacy Sandbox, which will end this. All the user data will be within Google's walled garden. Effectively, you will only be able to sell your advertising through Google.

A group called Marketers for an Open Web has put in a submission to the CMA. The CMA is conducting an investigation, with a view to stopping the rollout of Privacy Sandbox. I think this is the first time the CMA has intervened in the digital advertising market in the UK. It is exactly the sort of thing that we would hope the digital markets unit will be doing once it is set up. We need to ensure that the sort of interoperability that exists at the moment on the open web in digital advertising is not restricted, or compromised altogether, by platforms imposing these ecosystems. This is a hot debate, and we think the CMA is starting to address it, which is good.

Q6 **Lord Vaizey of Didcot:** Can I explore what works? We have had the launch of Facebook News. As an aside, Matt, I think I am right in thinking that the *Guardian* is not part of Facebook News UK. If I am right about that, I would love to know why. What kind of model do you think that is, in terms of newspapers working with a platform? What kind of revenue will it produce, obviously without giving away anything too commercial? Can you give us an idea? Will it be meaningful revenue?

Matt Rogerson: We are actually part of the news tab that launched today. We had a commercial agreement with Facebook to license content for the news tab. There are some really good things about the news tab. It directs traffic from the Facebook platform back to our own site. That means that, once users are on our site, we can seek to engage them in other bits of content on the site, or we can try to engage them in paid products, or to contribute to the journalism we create. Bringing people

back from third-party destinations is a key objective for us—I am sure it is for many other publishers—as we seek to build deeper relationships with them.

On whether it is good for society, it is good that we have a news tab with credible publishers on there. I know that Facebook today has said that it has no intention of withdrawing news from the main newsfeed; that is a really important commitment it has made not to do that. We would not want to see news taken out of the main caucus of content on Facebook and just stuck on a news tab. It is important, in the great traditions of media regulation in this country, that pictures of cats are interspersed with high-quality news, so you get levity and seriousness in the same stream.

On your question about if the revenue is meaningful, yes, it is. The terms were sufficiently in line with our expectations that we signed on a multi-year basis. Some of the numbers in the articles I have seen are correct, in terms of it being multi-millions over multi-years. You might ask, “Why now?”

Lord Vaizey of Didcot: That is exactly the question I was about to ask. I was going to ask whether this is commercial for Facebook or heading off regulation.

Matt Rogerson: I am not a cynic. The pace of regulatory investigation is building around the world. There is a recognition of that, whether it is the copyright directive in Europe or the efforts in Australia, areas where there are strong copyright regimes. Also, you have anti-trust authorities looking at the behaviour of the platforms in relation to smaller parties they work with. There is definitely a sense that regulators will step in and force negotiations on payment for content. It happened when you were a Minister in DCMS, in relation to Google and YouTube and paying the music industry.

We are working back now from the high-value film industry and music industry to the news industry, with a realisation that these platforms have not been paying their way, in terms of licensing, for many years. Regulators are stepping in to enable those negotiations to happen. That is really welcome.

Peter Wright: We are participating in the Facebook News tab. I would endorse quite a lot of what Matt says. The money is good enough to be worth doing a deal. It is not a complete game-changer. It is important to stress that it is a bespoke product that Facebook has created. It can turn it off, switch it on, add to it and subtract from it as they wish. It is not payment for all the content that Facebook uses across all its services. It is not a Facebook core service in the way its newsfeed is. It is most certainly a step in the right direction. We welcome it. We will be very interested to see how it pans out and whether it delivers as promised.

Gary Shipton: I would concur with that. Facebooks News is a step in the right direction. Anything that raises the profile of trusted news, produced

by professionals, has to be. Whatever we do, it must not distract us from a fair payment model, enshrined in law.

Q7 Lord Allen of Kensington: I would like to go back to Peter's point, which the committee did not pick up on in our report because nobody flagged it, about the banning of third-party cookies. It is such an important part. In my mind, you have the platforms, Apple and Google, using that to squeeze the media, because effectively the cookies are how you create enhanced advertising. I would like to hear Matt and Gary's views on that. That has not been as high profile as I thought it would have been through this whole process.

A second area where they squeeze their competition, almost through the backdoor, is the whole issue of how they use algorithms to be more self-serving.

Matt Rogerson: On cookies, it is strange when, again in Australia, you have some of the designers of the web technologies that have brought us the internet, Tim Berners-Lee and Vint Cerf, saying that the Australian proposals will do untold damage to the internet. There are bigger issues going on, which are that common bits of kit if you like, which have helped to build the internet to what it has become today, are under serious threat and will be deprecated in the years ahead. That is a real challenge, because the internet has been built on the basis that you have common vehicles that carry information around.

Third-party cookies are not inherently bad. They are just a neutral vehicle that carry information around between different parties. Unfortunately, they have been tarred as compromising privacy, which has meant that Apple has felt that it can deprecate third-party cookies within its own environment and effectively completely disrupt the advertising market. As it happens, Apple's business model does not rely on advertising at the moment. Apple's business model relies on driving more and more app developers to seek direct payment for their apps within Apple's App Store, where it takes 30% of those payments. It, too, has its own commercial interest in driving consumer behaviour and changing the way we interact with apps and websites.

Lord Allen of Kensington: The important point is "at the moment". That is the problem. We are always looking at today, not what it will look like in five years' time. It would be good to hear your thoughts on that as well.

Matt Rogerson: I am sure Google's intentions in the Privacy Sandbox are good, but ultimately, as Peter says, these are technologies that are being developed in an open-source way. AMP, the accelerated mobile pages format, was developed in an open-source way and designed to prevent the use of header bidding on those pages to increase Google's market share, with manipulation of the advertising market in its direction. That is now under serious scrutiny in Texas. These standards that have been developed have to be scrutinised really carefully.

I will be honest with you. From a publisher perspective, the challenge is that we do not have unlimited resources. We do not have the ability to attend all the groups that are developing these standards. The standards that govern the web will bifurcate between different environments. Apple has one set of standards. Google has another. There are huge amounts of complexity being built in. At a time when regulators are finally getting a grip on the internet as it is, and the online advertising market as it is structured at the moment, we are potentially having huge changes to how that market runs. That will be massively disruptive over the next year to two years.

Lord Allen of Kensington: What about on the whole algorithm issue and the lack of transparency in algorithms that are often self-serving?

Matt Rogerson: Let us take a trip back to Australia and see what Google was able to do last week, taking news out of search without warning anyone. That is quite worrying, when news is able to just disappear. Examples were shown in Australia where there were bushfires or Covid information that was not getting through to local populations. That is quite worrying.

We have expressed concern about changes to algorithms that have had a huge impact on our traffic. The committee has noted changes that Facebook made over previous years, where traffic just disappeared from many publishers. We are not as reliant on Facebook traffic as other publishers. Over time, we are just not as reliant on it as a source of traffic, but certainly we have had concerns about Google traffic in the past. It is certainly true that it is not clear at points why traffic suddenly disappears and the basis on which it disappears.

It appears that the allegations in the Texas case are that AMP was used to force publishers to adopt that format in order to maintain their prominence in search, and that that was connected in some way to Google's advertising business. Regulators need to take a good look at these and understand how they are interconnected with different parts of those platforms' businesses.

Peter Wright: I would endorse the importance of transparency in algorithms. We have suffered some massive drops in Google search visibility in the last couple of years, which we strongly suspect are directly linked to attempts to get rid of header bidding. Header bidding is a means that news publishers have used to access advertising demand from suppliers other than Google. It has been our attempt to maintain a competitive marketplace, and you then find that Google simply makes your content unavailable.

One of the worrying things about Australia is that there was a lot of lobbying between the ACCC's original proposals in the summer and the Bill that is now before the Australian Parliament. One of the areas where Google successfully got it watered down was the regulation of algorithms. To begin with, it was required to give 28 days' notice of changes. That has reduced to 14. The circumstances in which it has to notify changes to

publishers have been greatly restricted. It is clearly commercially very valuable to them to maintain opacity and for us not to know what they are doing or why they are doing it.

Gary Shipton: Peter and Matt have spoken very well on it. Transparency over algorithms is incredibly important to the regional industry. As Peter said, we have seen sudden and unexplained drops in traffic, which has a direct impact on our revenues. That is probably one of our biggest concerns.

The Chair: All these digital advertising market issues are something the committee has revisited several times and on which we will remain very focused. Maybe, as the digital markets unit gets up and running and government and CMA policy develops, we should remain in continuing dialogue. The News Media Association may want to come and talk to us at some stage in the future and give us an update on behalf of the industry.

We are running short of time, so sadly we had better move on. Our next topic is equally important: plurality of the media and diversity in the industry.

Q8 **Baroness Grender:** Thank you so much, everybody, so far. It has been really fascinating. Gary, inevitably I am going to come to you first about the issue of plurality. I know that you said right at the beginning that you cannot speak on behalf of National World, with its £85 million annual revenue, but it is very significant. I would draw you back to the report and, in particular, the bits where we are concerned about, and indeed critical of, some of the consolidation issues that Baroness Quin raised earlier.

That also drives to a question about how there is a trickle-down, whether you have some kind of tech benefit in Australia or whatever, when we know that schemes such as "All in, all together" or the BBC local journalism systems all seem to go to the larger players. Meanwhile, there are lots of small organisations trying to start up. Surely we want to grow and foster public interest news. It is very telling, since we are travelling to Australia on a frequent-flyer basis in this committee session, that the Senate has now set up an inquiry, to run in parallel with the Bill going through, looking into this very issue about whether consolidation is having a freezing effect on democracy.

I would love to draw you back into the report and, in particular, our concerns about how much and how often even those initiatives that we think are going to foster and grow independent local journalism often end up in the hands of the larger players. To take just one piece of evidence, Reach plc owns 127 print and 97 digital news brands and got 64 of the LDRS reporters. Starting with you, Gary, given the recent consolidation you have experienced, talk me through how we ensure that public interest news is grown and fostered, that it gets funding and that that funding, even a tech benefit, whatever shape or form, from Facebook, Google or whatever, does not get swallowed up by the larger players.

Gary Shipton: Let me start with the BBC local democracy reporter scheme and go back a step. We are going through that process again, because it is the time for retendering. We all bid for the local democracy reporter contracts, which meant that we employed the local democracy reporters. Although we employ them, and we would argue that there was an advantage to our employing them because we can give them the support and training they need, any qualifying local publisher or micropublisher has access to that copy, that content. They have access to it at exactly the same time that we do.

A local democracy reporter will go along and cover a meeting of a local county council. They will come back. They will use their local democracy tag if they are going to tweet it, rather than the brand employing them, and they will put it on the BBC portal once it has been edited for legal and ethical reasons. We cannot use it until every player can use it. That is really helpful, because there are small publishers that simply would not necessarily want to undertake that, but they have access to exactly the same content that we do, at exactly the same time. It will be very interesting to see how the second wave of contracts are awarded by the BBC. That is not our decision. We can only apply. We were pleased to win the contracts we did, but it is a call of the BBC, not our own call.

On titles, as I said in my introduction, I do not want to talk about National World because it is a very new owner of ours and it would be wrong of me to speak for it. I can say that many small titles—community newspapers—would have undoubtedly closed in recent years had it not been that it was part of a bigger group. The financial pressures have been enormous. At the same time, there is a real move amongst publishers such as us to support those smaller titles and ensure that they have good local representation and local journalism, and that we give them as much investment as we possibly can. It is a free market. There are other players in the market. There are the likes of Nub News and small community publishers, but the financial pressures are considerable. I do not know if that entirely answers your question.

Baroness Grender: It kind of does, and thank you very much for that. There are small local publishers that, say, wanted a slice of the pie of “All in, all together” but did not get any of it. You are right when you say, “It is somebody else. It is not to do with us”, but surely, when you look at the future of journalism and the industry, you want to see diversity and plurality. The danger is that the consolidation that continues is going to drive against that. Surely you, as a journalist, want to see more of that.

Gary Shipton: I absolutely do. I could not agree with you more. I am absolutely passionate. Although we have a mixture of daily and weekly titles in our group, most of my working life has been spent looking after weekly titles, beautiful little titles, in small market towns and villages. I am utterly passionate about their survival and the growth of other publishers in those markets to provide independent, trusted news.

I will be utterly frank with you: I have been in the business now for 40 years. I am not terribly concerned about my own career or future

prospects. I am absolutely concerned about quality, trusted local journalism that serves local people. That is my only concern.

The benefit of the BBC scheme is that it has ensured we can cover councils that were not being covered before. We can open up that area of democracy. This is not meant as a criticism of the BBC, but it is also true that it is quite a cumbersome scheme to operate. You employ the journalist. It is quite hard to recruit the journalist. You provide them with equipment. You give them all the training. You have to ensure you have someone, a second pair of eyes, who can professionally edit their content within a 12-hour window to put on to the portal. Not every small publisher wants to undertake that. Given that they get exactly the same copy at exactly the same time whether they do or not, some of them would see a benefit in our providing that service for them. It is the BBC's call. I cannot say any more than I endorse what you say about plurality.

We are doing everything we can to support small and medium-sized titles, like the *Northumberland Gazette*, and see what we can do to make them as relevant, vibrant and important in their communities as we possibly can. That is the challenge we have set ourselves. When other publishers come along, we welcome them. I genuinely welcome and support them.

Baroness Greender: Peter, can I ask you about the Australia issue? The Senate inquiry has been set up in part because there is quite a lot of concern that, if there is some kind of tech benefit, it will all go to the Murdoch empire, it will all go to Fairfax and that is where it ends. There is no trickle down to public interest news. Are those concerns right? What can be done to overcome that?

Peter Wright: In Australia, we are an upstart. We have an Australian operation, it has grown rapidly, but we are a far smaller player. We do not have any print titles. For that reason, in our submissions to the ACCC we have argued for certain measures to prevent this becoming a subsidy for incumbent publishers. To give an example, one of the suggestions was that, if the Google and Facebook money was regarded as a cake to be divided up, it would be divided up either according to the revenue lost by publishers over the last decade or 20 years, or according to the number of journalists they employ and the money they spend on it. Both of these would favour the two big incumbents against other publishers. We argued that it should not work that way, which I do not believe it will now.

I agree with you. It will not surprise you, given where I come from, that I happen to believe in free markets. I am sceptical of schemes that amount to subsidies. They inevitably present all these problems. I would much prefer that the problems of the industry were addressed by reforming the structural problems within digital advertising, rather than by trying to distribute someone else's money to news titles and trying to come up with systems to decide that one news title deserves it and another does not. That is, in a way, a philosophical point.

Baroness Grender: I would love to develop a question to you, Peter, about whether Google and Facebook are part of the free market, but there is not enough time.

Peter Wright: A free market needs to be a competitive market.

Matt Rogerson: I do not think concerns about plurality go away just because there is a bigger bully in the playground. We made that clear in Australia. Clearly, they have issues with media concentration over there, which they are looking at, but they should be kept separate from this debate about whether the platforms should be required to have commercial negotiations for commercial use of content. That is one thing; media concentration is another thing. The local democracy reporter scheme absolutely should be open to non-incumbents in local areas.

As Peter said, they have made a big impact in Australia. We have been in Australia for seven and a half years. We have come a long way in that time. We are now a top-10 news source for many Australians. We employ many Australian journalists, writing content for Australians in areas that were not really covered before, around climate change and indigenous rights.

On the survival of local newspapers and how it relates to the previous conversation about platforms, if you are a local newspaper reliant, in part, on advertising to fund the journalism you create, if you are adhering to one set of rules, for example around getting consent for user data to power advertising, and a platform like Facebook is adhering to a completely different set of rules—that is, not giving its—consumers choice about whether their data is used for advertising purposes, that is not a level playing field. If you are a local business and you are choosing whether you go for the local newspaper that does not have very much data and perhaps does not have the consented user base that Facebook does, you might choose to go for Facebook instead because it is easier to work with.

That is where you need a regulator to step in at a national level to say, “We need to level that playing field and make sure Facebook does not have an undue advantage in Northumberland”, or anywhere else where there is a local market where money is switching out from newspapers to online platforms. It has a very real impact on the future sustainability of those local news organisations.

I missed out what the committee could do next earlier, so I am shamelessly shoehorning this in. There is no reason why the advice the CMA has generated and given to Government could not quickly be turned into a White Paper, as far as I understand it. It is almost white-papery in its flavours. That is one thing that could happen. The Government could do that quickly.

Secondly, it needs to designate the platforms that have strategic market status, in line with the CMA’s work. Most of the work for that has been

done, but a formal consultation needs to happen. That takes 12 months. Again, the Government could get on with doing that.

The third thing relates to your next inquiry. That package of measures to create the Digital Markets Unit could easily sit side by side with online harms. For me, they are two sides of the same coin. The Digital Markets Unit addresses the business model of the platforms and then online harms affects their responsibilities as regards content regulation. They could fit very well together as a package that could go through Parliament in the next 18 months, rather than splitting out and going through next year and then Digital Markets Unit in 2022.

The Chair: I feel that conversation could have gone on for a lot longer; we could have delved into those issues at greater length. We may ask you to come back and talk to us about some of these issues again. I know that they are both topical and extremely interesting.

Q9 **Baroness Buscombe:** My point could be answered in relation to any of the points we are looking at today. It is something that we did not really touch on, as far as I remember and reading through the report, much or at all: the role of women in journalism. I well recall, 10 years ago, when I was chairing the Press Complaints Commission, that life was becoming tougher and tougher for women in journalism. That was mostly in relation to the point that the Bishop of Worcester raised earlier about the aggressive comments and the treatment of women in journalism. That really stood out in contrast to the way that men in journalism were being treated by those people, particularly online and in their comments following whatever articles were being written.

I well recall that we looked at the issue around this and felt that a lot of this was to do with people's ability to be anonymous. Then there was an outcry that you cannot get rid of anonymity because that stifles freedom of expression for those across the world who find it very difficult to be able to say who they are, for fear of persecution. That is the only good argument I have read in the last 10 years for maintaining that position.

I have two questions that I put to you all. First, what is it like out there now with regard to women in journalism? I genuinely do not know. Are they still suffering in the way they were 10 years ago, or more so now? I remember a number of really good women were giving up their jobs and moving on to other things. If it is as bad as it was then, or even worse now, is it not time that we actually confronted this issue? When you are in print, you have to say who you are and, nine times out of 10, I will guarantee you will be a lot more careful about what you say. Is that not the answer at all?

Peter Wright: This is a very interesting debate. It is, frankly, a slight mystery why it has not really properly been addressed in the past, but it is beginning to open up. You are right that people have been concerned that, without anonymity, people who want to expose lousy employers or despotic foreign Governments would be frightened to use the internet. By the same token, if you are a journalist, you are careful how you couch what you say, because you know that you are identified as the author of

what you write. You are therefore subject to the law, and not only to the law but to the calumny of your fellow citizens if you go beyond the pale. Clearly, there are people who take advantage of anonymity to behave in a way that is unacceptable.

We should look further at this. There are ways, even if anonymity was not ended, of making it much easier, if someone is being trolled on the internet, to find out who is doing it and then to take action against them or even just to expose them on their own social media. It is extremely difficult at the moment. There are means of doing this, but they are expensive and cumbersome. There may well be a case either for making it much easier or even for trying to end anonymity altogether. To do that, we would need something much closer to the American first amendment, so that people were free to speak out without the fear of losing their jobs because they have said something that their employers disagree with, for instance, which has happened. That is my answer. I have a very open mind on that subject.

Baroness Buscombe: From your answer, I am gauging that it is still bad, particularly, may I suggest, for women. They seem to get a raw deal. Matt, could you and then Gary please comment on this?

Matt Rogerson: As I referenced in response to an earlier question, when we did an examination of comments on our site, we certainly found that women and people from minority ethnic communities were targeted most by negative commenters. Clearly, that is a concern, again, for your next inquiry, on freedom of expression. When people's right to express themselves freely is subjugated by others using offensive and aggressive behaviour, we are in a bad position and a bad place.

On how we have responded, we have certainly tried to escalate or develop escalation processes with the platforms to ensure that, where trolling and abuse is levelled at our journalists, those complaints are dealt with quickly and seriously. Again, the online harms legislation gives a good opportunity to put those sorts of processes in place, whether through primary or secondary legislation.

On anonymity, there are wider issues in terms of how networks of anonymous pages on Facebook are used to promote right-wing content in inauthentic ways. These have been noted by the Oxford Internet Institute.

On the question of whether we would want to get rid of anonymity altogether, I do not think that is the case in totality, but look at how social media platforms compare to telecoms platforms, for example. I may be losing my mind slightly—it was a fair while ago now—but I think telecoms companies are under an obligation to ensure that they have a name, address and contact details attached to every landline that operates in the UK, for legal purposes. The platforms either are or should be under an obligation to ensure that those identities, even if not on the platform themselves but sitting behind in their records, are tied in some way to user identities. That means that Norwich Pharmacal orders, which

are how you get access to those details in events of serious incidents, are able to ensure that they have those details available.

Baroness Buscombe: Gary, I was struck by your point about community policing earlier, which sounds positive.

Gary Shipton: Yes, we are not there yet, but it is something that we would aim for. I agree with your point about how anonymity would not be permitted in newspapers. When someone writes to a newspaper, we absolutely require to know who they are and we double-check that we know who they are.

I said earlier that we had stopped commenting on most of our websites, which we had. Part of the solution for commenting on our own sites is that, where we have put commenting back in, we have subscription and registration rules, so you have to register with us and we have to know exactly who you are before you can comment. That makes people more moderate in their responses.

In terms of commenting on third-party tech platforms about our journalists, particularly our female journalists, we have, as far as we possibly can, zero tolerance of it. We take it incredibly seriously, we have internal policies to deal with it, and, whenever a journalist is targeted, we move to their support very quickly. I will not say more because we are pressed for time but I hope that covers it.

The Chair: We are pressed for time but it has been a very interesting session. We still have important areas to discuss. We want to talk a little more about initiatives to support news media organisations, media literacy and careers in journalism. Shall we start with Baroness Rebuck, please?

Q10 **Baroness Rebuck:** I realise we have talked about some of the very substantive issues, such as structural reform and the imbalance of power between the platforms and publishers. I want to take you to one of the recommendations in the report, which was to develop a more strategic approach to funding journalism from those already philanthropically engaged. I am talking about the other side of Google, Facebook, BBC News, which we have talked about, Nesta and others. Would it be possible or advisable to use the Government's convening power to provide a forum to assess the impact of schemes and share successes, to make it a bit more joined up?

The funders have said that, in principle, they are interested in such a meeting. I would like to ask you, as the publishers, whether you would like to see this happen; Peter touched on this a little bit earlier. If so, how can it be taken forward? Do you have an example of an initiative that has had impact and has been successful? If the forum goes ahead, what subject areas should it concentrate on?

Matt Rogerson: If I look at the kind of initiatives that you named in the report, we certainly bid into the Google News Initiative before, to underpin some work that we have done on technical innovation. One of

Nesta's fund has helped to fund our news literacy project through the Guardian Foundation.

This question is one we discussed a little bit during the Cairncross review about better co-ordination. There is a case to say that funding could be brought about for initiatives that help the whole industry at a strategic level. That is really interesting. One example of that is the local news industry has just got £1 million from Google to fund public notices, details of which came out a couple of weeks ago. That is a big bit of infrastructure that the local news industry needed and that Google has funded through that project; that is a really positive development.

More and more, as we move forward, there is a case for publishers thinking about whether there are neutral aspects of their businesses where they could invest jointly to build something together. Going back to Lord Allen's comments about third-party cookies, is there a case for publishers building publisher ad servers that are available to all of us? Are there bits of technology that would help us to be independent from those big platforms that we could co-invest in through these initiatives. There is definitely potential there to think about that.

Gary Shipton: Matt talked about the £1 million from Google for a public notice portal, which will be open to all industry players. Public notice is incredibly important. It is an incredibly source of revenue to us, and it is very important that there remains a statutory requirement to publish public notices in local newspapers and, consequently, on their websites, but this will broaden it and there will be search facilities for the public, et cetera.

We have three key asks for support in the local media. The first is to maintain that statutory requirement to publish public notices. That is not only important for our own revenue stream but also for the public in each community to have access to that information, rather than it being stuck on a council website, often when the council is adjudging the matter in hand as well.

The second area is the extension of business rates relief. I can tell you, coming back to the issue of plurality that we addressed earlier, that that would particularly help some of the smaller independent publishers who have spoken to me about it.

The third is something that parts of the regional industry are particularly interested in: a tax credit scheme for the employment of journalists. There was one set up in Canada in 2019; you get a tax credit when you employ journalists. That will be open to all publishers, even the tiny micro-publishers, and it would be along similar lines to the tax credits offered to the creative industries. That could really help to support the employment of journalists, particularly in small communities and with emerging micro-publishers, as well as the bigger players.

They would be three big asks. On top of that, of course, I must reinforce that complete exemption to online harms and, as Matt said, the other

side of the coin, which is that fair payment for content. The two are intrinsically linked. Those are the five big asks.

In terms of the assessment, which was your question, of schemes in place, yes, we would be very happy to support that.

Peter Wright: I support the general drift of what Matt says: that if any money, whether it is Google's or taxpayers' money, is going to go into the industry, it should go into enabling projects that are going to help everybody, rather than what Nesta did, which was to hand out parcels of £50,000 to £60,000 a time to a selected number of recipients. That is not really going to change anybody's business model. You run the risk that you are simply keeping the wage bill of a business that is not doing brilliantly well paid for another six months before it faces the inevitable crisis.

That would be where I would put any money, but I would far rather that effort was focused on securing payment for content. I would echo what the other two are saying: it would be fantastic if that could be part of the Online Safety Bill, which is going to become law long before anything to do with the Digital Markets Unit.

Baroness Rebuck: They are not mutually exclusive. They are meant to work together.

Peter Wright: They should do.

The Chair: When we started the inquiry, we were very focused on careers and journalism. As wider issues unravelled, these issues around the sustainability of news media organisations and diversity in newsrooms became very important issues too, but we remain focused on careers in journalism. Our final question is in this area.

Q11 **Baroness Quin:** As the Chair has said, there is a lot in our report about journalism as a career and the importance of attracting people with diverse backgrounds, experiences and socioeconomic backgrounds, and from regions. I know that you have seen the report, but my question is particularly related to the experience of Covid and the fact that so many of us have been working from home. Given that many of our reports in the past have pointed to how expensive it can be for would-be journalists to train and get accommodation in London and so on, I wondered how the experience of the last few months might have affected the attitude of each of your organisations to recruitment policy. Do you see any possibilities of perhaps widening reach to people of different backgrounds as a result of the increased online working that we have been seeing?

Matt Rogerson: Certainly, last year was the first year where we ran a summer internship with Creative Access to help people from BAME and lower socioeconomic backgrounds to come in and get work experience. Unfortunately, we were not able to do that this year because of Covid. Broader work experience programmes are on hold as a result of Covid. Our Scott Trust bursary scheme continued; we selected three excellent candidates for that and they will be getting a combination of university

courses funded and a Guardian mentor hooked up, albeit via videolink. We are still proceeding with those schemes that we have had in place for 25 years.

The changed way of working that we have had over the past few months definitely offers the opportunity to think about internships and work experience in different ways. I only got into this industry and the politics industry by the fact that I managed to find an MP who was willing to go above and beyond to help pay expenses and things like that, so I know how valuable that is, especially when you are thinking about moving to London. If businesses like ours are on a stronger financial footing as a result of the structural changes that are happening, and are growing again, as we are—the appetite for our content is huge—then you will see more schemes rolling out to get people coming into the industry, which will be really positive.

Peter Wright: We invest a lot of money in training. We run a training scheme that is, in part, deliberately set up to encourage and improve diversity. It includes Stephen Lawrence scholarships, which are specifically awarded to people from underprivileged and diverse backgrounds. The main scheme is also tailored for the same purpose and we have kept that going. We take on 35 to 40 new trainees every year, and they are paid. These are not internships; they are proper jobs and we supply training.

I am not sure Covid has made it easier, because it is incredibly important, if you are new to a profession, that you have the opportunity to work with other people, particularly more experienced people whom you are going to be able to observe and ask questions. It is also incredibly important that new people work together. We can all remember starting out. You learn as much from your friends and colleagues saying, “I did this yesterday and I realised it was completely the wrong thing to do”. I do not think trying to do it remotely helps. We have kept it going and it has been difficult at times. I was very fortunate. In September, I was able to do training in the Editors’ Code in the building because there was a brief lapse in lockdowns.

I would certainly endorse the need to take positive steps to increase diversity and we put a great deal of time and money into doing that.

Baroness Quin: Gary, the publications that you cover are throughout the whole of the UK. What is your take on this? Do you feel that the lessons from Covid are going to make a difference to recruitment policy in the future?

Gary Shipton: The key lesson is that it is vital that we have local journalists in local communities. That comes back to the point that you made earlier in this meeting. People want local news and local journalists living there—they do not have to have been born there—who understand the issues, the concerns and the tone in which people want stories told.

We absolutely want a diverse workforce. I was not a graduate. I came straight into the industry, making tea in a branch office of the local daily paper. I am very keen, therefore, that we do not put any barriers in the way of people joining us. We have taken advantage of the Government's apprenticeship levy scheme. We currently have 12 apprentices with us under that scheme, in the south and in Leeds.

We recruit, largely, through the National Council for the Training of Journalists' approved colleges, which are scattered across the country and train youngsters in law, shorthand and practical journalism as well as the modern tech skills. The challenge for us is about making sure that there is a really diverse mixture in the people that go to those colleges. Another lesson that we take away from this crisis is that we will want to get more of our journalists into schools talking to future journalists about how important a career it is. That is where you have to start. You have to start right at the beginning, because they then have to say, "Wow. I really want to do that. I feel inspired. I want to get myself on an NCTJ course", which are not typically in London, "and I want to pursue this route". If you are to serve communities properly, you have to represent communities in gender mix, faith mix and ethnicity. The more diverse the workforce, the more effective and successful you will be. I believe that passionately.

As an aside, please write to me with those points about the *Northumberland Gazette*, because I want to follow them through.

Baroness Quin: Recruitment policy is something that could be changed to help people who would otherwise find London training very expensive.

The Chair: There are titles other than the *Northumberland Gazette*. The committee comes from many parts of the country, and many regional titles are read by committee members who cited them in evidence during the inquiry. It has been a very interesting session.

Q12 **Baroness McIntosh of Hudnall:** This question need only be addressed to Matt and Peter, because Gary has answered for his organisation. The report points out that an extraordinarily high percentage of people coming into the industry now are in fact graduates. Whether they are graduates of degrees in journalism or other degrees, none the less they have gone through the higher-education system. Gary mentioned that he did not and that his organisation looks for people who could come in via another route. To the other two witnesses, what percentage of the people that you currently take on to your schemes are non-graduates?

Peter Wright: To give you a percentage I am going to have to write to you, because I do not have it to hand.

Baroness McIntosh of Hudnall: Give me a guess.

Peter Wright: I do not want to give you a guess because I simply do not know. One of the reasons we set up our training scheme was to redress the fact that we were finding that an increasing number of our recruits were not only graduates but Oxbridge graduates. There was a time when

we did not get any Oxbridge graduates, but, although you welcome some Oxbridge graduates, you definitely do not want all Oxbridge graduates. Where there are two people of roughly apparent equal talent, if we have one from a non-Oxbridge background and, in particular, a non-university background, we will give the opportunity to them.

We also set up the Stephen Lawrence scheme, which is specifically for people who do not come from privileged backgrounds whatsoever. They tend to very often be the sons and daughters of first-generation immigrants.

You are right that it is a problem. You have to bear in mind that the Government, over many years, have tried very hard to increase the number of people going to university. It is inevitable that, if 50% of all 18 year-olds go to university, 50% of our recruits are likely to have been to university. Journalism is not a career that depends on having letters after your name. It is not a closed profession. You do not have to have any qualifications at all to become a journalist beyond self-confidence, a respect for the facts, an interest in people and an ability to write. We welcome job applications from anyone anywhere.

Baroness McIntosh of Hudnall: That is very helpful. By the way, I do not lay the problem at your door specifically. What you said about the way that education has gone in the last couple of decades is obviously part of the problem.

Matt Rogerson: In terms of the Scott Trust bursary, a degree is one of the criteria. To add to Peter's point, it has become a gateway into a lot of these programmes. That is where the apprenticeship levy could really help. If that were more flexible, could be used for people who do not necessarily have high qualifications and could be used more flexibly by news organisations to pay for costs other than training itself, that could make a real difference. Your report and fight to reform that is really welcome from an industry that relies on that kind of on-the-job training and bursts of training to get people up to speed with what is required.

The Chair: You touch on another recurring theme for the committee, which is the apprenticeship levy, which we strongly feel does not work for the wider creative industries, let alone news media organisations, and needs substantial reform to make it considerably more flexible. That is a battle we keep fighting and raising with Ministers. Any further thoughts that you have on that would be welcome, as would any illustrations of the apprenticeship scheme working or being adapted in practice. We will be continuing our dialogue with Ministers.

We need to draw to a close. Thank you. We should also use this opportunity to thank journalists, and reporters in particular, who have been on the front line of Covid, providing vital information in their communities through this difficult time for the country. They are all front-line workers and we appreciate and value everything that they do. It is a good opportunity to thank all of them across the country and to thank you for your evidence today and the evidence that you gave to the

inquiry. Thank you for coming along and talking to us.

We will be asking you to come back, because there are many issues that we want to explore further. We have these big issues for the Committee, which we keep coming back to, such as apprenticeships and regulation, particularly around digital markets. We will ask to see you again on those issues. Sadly, we have run out of time. Thank you very much indeed for joining us today.