



Welsh Affairs Committee

Oral evidence: Broadcasting in Wales, HC 450

Monday 8 February 2016

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Members present: David T C Davies (Chair); Chris Davies; Dr James Davies; Carolyn Harris; Gerald Jones; Stephen Kinnock; Liz Saville Roberts; Craig Williams.

Questions 288-323

Examination of Witnesses

Witnesses: **Martin Shipton**, Chief Reporter, Western Mail, and **Alan Edmunds**, Editor-in-Chief, Media Wales and Western Mail, gave evidence.

Q288 Chair: Thank you both very much for coming along today, especially given the probably rather bad journey up you have had if my experience was anything to go by this morning. It is fantastic you managed to make it. We have a few set questions, but you have obviously both been in the industry for quite a few decades—if I may say that—so, as we are a friendly bunch, do feel free to offer us any insights that you might have, whether or not they directly relate back to any of the questions.

To kick off, we have had Ofcom’s advisory committee saying that Wales is served much less comprehensively outside the BBC than other nations in the UK. What do you think about that and what could we do to rectify it if there is a problem there?

Martin Shipton: I think it is inevitably the case that there is not the same degree of diversity in newspapers as exists in Scotland, for example. That is partly because Scotland is that much further away from London and, historically, there were quite a lot of local editions or Scottish editions of London-based newspapers, which have persisted. In Wales, *The Daily Mirror* had its own Welsh edition, but it only lasted for a couple of years. This is in the early years of the Assembly. A commercial decision was taken at that time that it was not adding sufficient revenue, I think, to the operation, so it stopped.

Another problem is that a lot of people who live in Wales—and we have to be frank about this—choose to buy newspapers that are published in London. Whereas in Scotland, and in Northern Ireland for that matter, where you have two morning newspapers that serve the respective communities, people are far more inclined to buy newspapers that are produced indigenously. I think that is a source of great regret, actually, and it is unfortunate.

Q289 Chair: I suppose I have to throw this in. I like *The Western Mail*. I am one of the ones paying for it; we are going to come on to this afterwards. It is interesting it is called *The*

Western Mail, isn't it, as opposed to the Sunday version, which is *Wales on Sunday*? I do not think it is a particular issue, but does that ever worry you a bit?

Alan Edmunds: It is historical. Obviously, it is one of the reasons why we are called WalesOnline. Ideally, when you are serving Wales, you would want "Wales" in the name, so when we had the chance to call the national website something, WalesOnline seemed an obvious choice.

Chair: I think the online issue is the big one, and I appreciate the written evidence that you gave us on that. We will come to that in a minute.

Q290 Gerald Jones: I want to ask a question about the implication of the merger with Local World and what impact that has had on the industry, particularly around regional journalism.

Alan Edmunds: It is tremendous news for the regional newspaper industry. It makes us stronger, more resilient to the structural changes that we face. If we are talking about plurality then, for example, to ensure that plurality in Wales continues, it makes the *Swansea Evening Post* and Media Wales stronger together. We will be able to give a better reach to advertisers and work together to give the best possible service to the readers of the respective titles. It should be welcomed as a really positive move that strengthens the regional media, particularly in Wales.

Martin Shipton: If I could add a different perspective from what Alan has said, it is often argued that Trinity Mirror has this great media dominance in Wales, which is being exacerbated by the takeover. One point that I think is important to make is that, in the many years for which I have worked for Trinity Mirror—we are talking about two decades, essentially—there has never been an attempt on the part of Trinity Mirror centrally to impose any kind of editorial line. If we go way back to the time of the 1997 referendum, for example, I was working with Alan for *Wales on Sunday* at the time. We decided, without anybody else interfering higher up the Trinity Mirror hierarchy, that we were going to support a "yes" vote in the referendum. A different view was taken by the *South Wales Echo*, which is another part of the Trinity Mirror stable. There has never been a situation where we have been subject to any kind of political directive.

If we also look at *The Daily Post*, which is also owned by Trinity Mirror, it has a very different kind of perspective on Wales from *The Western Mail*. *The Western Mail* tries to take, certainly from a social policy and political perspective, an all-Wales view, whereas *The Daily Post*—understandably, because its circulation is concentrated in North Wales—very much takes the part of North Wales and sometimes is a campaigning newspaper for North Wales. Even though Trinity Mirror owns these different newspapers, that does not necessarily mean that there is uniformity.

However, with the takeover of the *Swansea Evening Post*, I think that it will be important for the Swansea paper to retain its own identity because people in the Swansea area are very proud of the *Swansea Evening Post* and its tradition. It would be a great shame if that were to be diluted.

Q291 Gerald Jones: I want to pick up on the regional situation and the impact of the merger. Certainly, in the Gwent and Glamorgan valleys, over a number of years now I have picked up on the impact that the changes have had. In some cases, people feel that the local

feel of the weekly newspapers has been lost somewhat because there is almost a merger of those editions across the South Wales valleys. Do you think that that is having an impact on the circulation figures for those newspapers and what do you think the answer to that could be?

Alan Edmunds: With our weekly titles, we have been very open about what we have been doing there to make sure that they have a profitable future. We have worked very hard and we have engaged with the political community at great length on that issue, and we have managed to make sure that those papers have continued to thrive. We have had to cut our cloth accordingly in the way that we produce them, but we have invested in the digital offering that we are now providing for those communities. I think that will be very important for the future.

Q292 Liz Saville Roberts: There is an alternative take, that particularly *The Daily Post*, which I know the best in the north-west, cherry-picks stories that are effectively then old news for the regional titles. There used to be a healthy competitive journalism as to who got their own stories. This in itself is reducing the attractiveness of the daily titles. I am in an area where there used to be offices in all the major towns and they have all closed for *The Caernarfon Herald* and *The Holyhead and Anglesey Mail*. You can see the writing on the wall in the way that the stories are used, with the lead stories all going to *The Daily Post* and then, as I said, being old news or fish and chips papers by the time they get to the regional weeklies.

Alan Edmunds: Weekly titles: it depends on the market but it has been a very tough market as audiences move online, which I am sure we will come on to talk to you about. If you look at *The Daily Post* performance, for example, it has been one of the best performers in terms of its year on year sales in the regional industry.

Martin Shipton: If I may say so, I think one of the problems is that the economic reality of newspapers these days—regional and, obviously in our case here, Welsh newspapers—is that they are very challenged by a decline in advertising revenues. There are various reasons for the decline, which I have gone into in some detail in my written submission but, as a consequence of that, there have been cuts that have undoubtedly impacted on the ability of those newspapers to report on their communities.

Q293 Chair: We are about to come on to the topics in your written evidence but, without going off at a tangent, of course I remember the 1997 referendum and *The Western Mail* coming out in the way it did. That was great, in that you did not have any editorial pressure to come out one way or another. Out of interest, did you feel any pressure to come out in some way? Was there any pressure to come up with a decision of one sort or another—whether you agreed with it or not—because on the day of the referendum people expected their regional paper to say either “yes” or “no”?

Alan Edmunds: As editor, you make a decision on what you think is best for your readers.

Q294 Chair: But, if you are going to come out with a headline, a headline of either, “Yes, it is good for Wales” or, “No, it is not good for Wales”, it is a much easier headline than, “There are some pros and cons to this and we are not quite sure whether we can make a recommendation”.

Alan Edmunds: No, we came out in favour of one side only because it was my firm belief, and that of the senior team on the newspaper, that that was the right course for Wales to take.

Q295 Craig Williams: I suppose we have teased around this issue, the digital revolution, the digital challenge, whatever you want to call it. You have seen a significant increase in your digital offer but, at the same time, a significant withdrawal from your paper offer. As you have touched on in some of your written evidence—the Committee has touched on this as well—your revenue base is driven by the print version of your paper. How does your business model cope now with that transition?

Alan Edmunds: Yes. Of course, this is not a Wales issue. This is a UK and, indeed, a global issue. We are growing our digital revenues. The growth of our digital audience is an enormous success. WalesOnline has been hugely successful in growing the audience and continues to be so. Obviously, our aim is to maintain our print sales and revenue to the highest level it can be and to grow our digital revenues. We are succeeding in growing our digital revenues and we are determined to grow them as fast as we can.

Q296 Craig Williams: The growth you outlined: I think you grew by about 580% compared with the BBC's growth of 280%, even though your baselines are significantly different. How do you compete in the digital age against these big public service broadcasters and the underwriting almost of their creativeness and their core budget?

Alan Edmunds: Of course, this is a big issue that I am sure we might come on to but, through the News Media Association, which represents our interests in these discussions, obviously it is tough to compete. We are big supporters of the BBC. We think it plays a very important role, and we are engaged with charter renewal in discussions as to how we can collaborate and work with them. The real aim of those collaborations obviously is for the benefit of the consumer, so how can we work together so that a better local news service is provided for everybody?

Q297 Craig Williams: This whole debate—and it is not just yours; it is the world—talking about print versus digital, could you envisage ever just being a digital offer or are you always going to be committed to the print?

Chair: Perhaps to both witnesses on the panel.

Craig Williams: Yes, if you do not mind.

Alan Edmunds: I am asked that question virtually every day and—

Craig Williams: Sorry to add to it.

Alan Edmunds: That is all right. I understand it. It is impossible to answer with any certainty of the future, but obviously our aim is to provide news service in print and digital for as long as we can. Everything we do is about creating a thriving business providing a strong audience for our readers and advertisers.

Martin Shipton: I think one of the severe problems here is that, while what Alan says is undoubtedly true about big percentage increases in the advertising revenue for digital, the bulk of revenue continues to come from print. Therefore, to have a sustainable future, you

need to reach a position where there is a very significant uplift in the amount of revenue from digital. Circulations of newspapers are going in only one direction and, therefore, it is perhaps unrealistic to expect that they are going to be there forever. For example, Trinity Mirror now has a pilot scheme in Reading where it shut down the local paper and is engaged in a digital-only offering. One looks at how that is doing. Alan is perhaps in a better position to tell you than me, but my understanding is that it is not breaking even yet. The hope would be that there would be a big increase in digital revenue, but as of yet—and I speak in general terms—the uplift that we see in digital reach and digital audience is not matched by an uplift in digital revenue.

Q298 Craig Williams: May I be cheeky, Chair, and then I promise to shut up? In terms of public policy direction, you touched on the revenues. I don't want to start a massive debate about this but, if there was that policy change with public services, where they were no longer statuted to do printed advertising and were open to digital advertising, is that a kind of game changer that would affect this whole debate from there?

Alan Edmunds: What we say on that, Craig, is that we are open to talking all the time about those issues. For example, I have engaged strongly with the Welsh Government over things, like traffic notices, where our aim has always been to give best value in terms of digital and print. We are always engaging on those sorts of issues.

Q299 Chair: When you refer to digital, do you mean the free online content or do you mean the digital version of the newspaper? To me that is—and I am not trying to plug it—very good value, about £7 a month or something as opposed to 85 pence a day. Is that a good revenue spinner for *The Western Mail*?

Alan Edmunds: That is a relatively small market. Generally, by digital we mean our app, our mobile site, our desktop, and any other digital services.

Chair: The free stuff?

Alan Edmunds: Yes.

Q300 Chair: This counts then for you as print?

Alan Edmunds: It is our e-edition, so it sits between the two. It is a digital form of news service, in effect, but it is a small market.

Q301 Stephen Kinnock: It looks increasingly likely that the EU referendum will take place on 23 June. Most surveys indicate that the people of the United Kingdom—I don't know where Wales fits into this—are among the least well informed about the EU in the entire European Union in terms of the way the institutions work, what the relationship is between member states and Brussels, which policy areas Brussels leads on and where member states lead, and how that relates to regional and local government. All sorts of questions are going to be in people's minds and I am sure we would all agree that, whatever our views are on the UK's membership of the European Union, people should make an informed choice when they go to the ballot box. Could you say a little bit about what you are planning to do in terms of getting the information out there, getting an objective and balanced picture and, of course, what specifically it would mean for Wales if the UK were to remain in the EU or if there were to be a Brexit? What would that mean for Wales?

Chair: That is quite a long way from print in Wales but fair enough.

Stephen Kinnock: Well, particularly, if it relates to concerns around pluralism.

Martin Shipton: Banging the drum for *The Western Mail* and for WalesOnline, I would say that we have already demonstrated with the recent debate between Carwyn Jones and Nigel Farage that we are prepared to take such an issue very seriously. As a significant news provider in Wales, we would regard it as a major part of our responsibility to do that. There are obviously very important discussions to be had. There are important points to be made on both sides, and we want the people of Wales to be as informed as they possibly can be. We would assure people that, if they read the material that we produce, they will be better informed.

Alan Edmunds: Yes. For example, WalesOnline, in terms of audience engagement, one of the biggest stories that we have ever had was the NATO summit coming to Wales. We will obviously cover the referendum in great detail. We have invested in a news editor specifically for politics, health and education since January, because the key to online is engaging the audience. Obviously, we can see how many people are reading the stories that we write. Our whole coverage of the upcoming elections will be to make sure that we engage the audience with it and interact with them and have a conversation with them. It will be an enormous story for WalesOnline and so we will be putting a huge amount of resource, effort and thought into it.

Q302 Liz Saville Roberts: What you have just said leads on very tidily to my question now. It seems that clickbait is now being used—terminology, forgive me—as the basis for what used to be editorial decisions on story priority. Again, to come back to my much beloved *Daily Post*, that does seem to result in many pages and lead stories basically being the A55 and sex crime. How do you counter concerns that we have, that glamour and that sort of populist interest is overriding the sorts of stories that you just mentioned, including the NATO summit? Where would that land in a clickbait situation?

Alan Edmunds: Sorry, where would it lie?

Liz Saville Roberts: Where would that be likely to land? Again, the referendum in June and the election ahead of us now, where are these going to sit alongside this editorial policy, which I have seen in action in *The Daily Post* newsroom, and the way that it then strongly influences how pages are presented to readers?

Alan Edmunds: I think with the NATO summit we proved where it lies by the coverage that we gave it, which was extensive in print and online. What audience statistics give you is the ability to see whether you are engaging people with your stories or not. We want to create an audience that we can obviously sell to advertisers, so inevitably it is very important that we cover health, education, politics, all those issues, so that it is an audience of value and a brand of value that we sell to advertisers.

In my mind, clickbait means when you get someone to click on something and then they have a disappointing experience. As professional journalists, we would never do that. It is very easy to create any old content to create an audience and that is not what our business is, I think as we are proving. Inevitably, any website or newspaper is a mixture of stories. People want to read about show business as well as politics. The beauty of online is it

shows you whether your political stories are engaging with people and, if they aren't, how you have to work harder to make them engage. We are finding that an extremely useful process.

Q303 Liz Saville Roberts: Following on from that, though, to what degree do you feel this is changing? Does the indigenous press in Wales hold Welsh Government to account and—even more importantly—every local authority?

Alan Edmunds: We certainly hold Welsh Government to account, even just by the amount of column inches and web coverage that we give them, which is enormous. I think we certainly hold Welsh Government to account. In most local authority areas, there are strong local titles and they write a lot about those local authorities, so I would say the answer is yes.

Chair: Do you feel the same, Martin?

Martin Shipton: It is certainly the case that we give a lot of coverage to Cardiff Council. Of course, in Cardiff we have the *South Wales Echo*, which is the sister paper of *The Western Mail*, and there is a lot of coverage of Cardiff Council. I am not necessarily so positive about the coverage of other local authorities across Wales. I think it is fair to say that there are gaps. What I think we also have to take into account is that, as a result of the economic problems faced by newspapers, fewer reporters are now available to go out to council meetings. In many instances, you will find that there are stories that relate to councils that will be picked up and you will get the official council line rather than having somebody actually attending a debate. That is regrettable but, in a sense, it is an almost inevitable consequence of the economic problems and the cuts that have occurred in the newspaper industry.

Q304 Dr James Davies: To me, one of the elements of the digital era that seems very prevalent in North Wales is the use of Facebook and, to an extent, Twitter by journalists from *The Daily Post* really quite effectively. There are many comments on stories, so I get the impression that there is more interaction than there would have been before Facebook and probably that stories have been picked up that way. That is a positive way to look at it, isn't it? I know that Facebook is probably not profitable for you. Again, it relies on click-throughs and then advertising, presumably. Do you see greater interaction with the public through digital means being the way forward and will that end up being profitable for you?

Alan Edmunds: Undoubtedly. Social media is a big generator of traffic to our websites. We often describe it as shareable content. When stories do really well—if I use the NATO summit as an example again—a lot of the audience that was generated would have been through people sharing our stories on social media. Obviously, that audience then enables us to create a successful, thriving website through monetising it, through advertising. Social media is a very big part of what we do and also the interaction. We encourage a lot of our journalists to write a story and then have a conversation with consumers about it. For example, take the rugby at the weekend, you will see our rugby writers will write a piece about the match and then interact with readers, with our audience, on social media after it.

Q305 Chris Davies: Thank you, gentlemen. Sorry I was late and missed part of the session. Mid Wales tends to be left out quite often, certainly with *The Western Mail*. Martin very

kindly rings every now and again and certain other members of your staff, usually about matters I do not want to speak about. But when it is matters I want to speak about, we are not always in the forefront of your minds. Why is that and how do you pick up stories in Mid Wales?

Chair: Although we are not picking on *The Western Mail* specifically because they—

Chris Davies: No, generally from the South Wales media.

Alan Edmunds: Speaking from my experience, normally if there are big stories or big issues in Mid Wales, I think we often cover them very well. I can think of many examples over the years but, in terms of the local press, it will depend. It is probably a bit patchy, isn't it, from my knowledge of it? Some areas get more coverage than others. From a Media Wales perspective, sometimes we will find that we are writing about Mid Wales issues a lot in a short space of time and then not so often perhaps for the next couple of weeks. We are certainly very conscious of it. It is a very important region to us and we talk about it constantly.

Q306 Chris Davies: How do you source those stories?

Alan Edmunds: There is a very long answer to that: through our own reporters, and we get a lot of stories obviously through online research as well now. Things that previously may have taken reporters a week to find out they can now find out in an hour online, as Martin will only too readily agree. Also through political representatives in those areas who ring in with a lot of stories. So through most of the usual ways but, increasingly, we are sourcing stories from social media as well from what people post.

Martin Shipton: Of course there are also situations where people in political parties want to have a go at somebody else, usually in the same political party I have to say. That does not only apply to Mid Wales. It applies to other parts of Wales as well.

Chair: Surely not.

Liz Saville Roberts: Shocked!

Q307 Craig Williams: Mr Edmunds kindly hosted me and I saw some of the software behind that. I would recommend that, Mr Chairman, if we have any free time in a Cardiff visit—not putting invites in your mouth. It was fascinating to see the digital click rate and your response and your engagement, and how that dictated the front page. I was wondering if I could tease more detail out about how you prioritise and categorise—obviously, you do not just stick the politics and the other news all together, it is all categorised—and how that is shaping the news.

Alan Edmunds: Yes. My first point is that I wrote to all the MPs within our main circulation footprint to invite you in to see what we do. I think it is extremely helpful because we are very open about the way that we use our technology, the way that audience analytics help us make WalesOnline even better.

As I showed you, Craig, when you came in, the simple way is that we look at each area. We look at education. We look at health, and we talk to our teams about the sort of engagement that we think we can achieve with those stories. Then we review that on a

daily basis. We say, “How well have we done today? For example, how many people will have read Martin’s story about the forthcoming Assembly election?” If we are disappointed with that figure we say, “What can we do to engage the audience better? What can we learn from what went right and what went wrong?”

Q308 Craig Williams: Martin, that has obviously changed over the two decades you were talking about in your experience. That very real-time feedback, has that changed the way you write news now?

Martin Shipton: If I may put it this way, I think the danger of being utterly responsive to feedback on a particular story is that you could change your way of operating and say, “We are no longer going to do stories of this kind because it did not get enough clicks on the website”. I still think that the instincts of a reporter about what is a significant story are worth following, because one of the problems is that only a proportion of the population are seriously interested in politics, as you will know from knocking on doors in Cardiff North. Many people are disengaged from politics for one reason or another. Stories about political matters do not get nearly as many hits as stories about soap opera stars. This is why—

Alan Edmunds: That is not always true.

Martin Shipton: Not always true, but very often in general terms it is the case. Therefore, I think it is very important that we serve the audience that is interested in politics with a hope of growing it and demonstrating to people in the population as a whole that it is worth taking an interest in politics because it affects their lives. It is very easy to have a very superficial view of news and it is very easy to become engaged with news that is quite trivial in its orientation. I think that, while we have to appeal to a broad mass of people in order to increase those figures—

Q309 Craig Williams: Do you see this as a very powerful tool, then, to engage them? In terms of the engagement and the feedback, your ambition to broaden it, this could be an incredibly powerful tool.

Alan Edmunds: Yes, it is. We have Martin. We have a political editor. We have several political journalists. We have an education editor and a health editor, so we are writing about those serious topics all the time. Our ambition, the numbers that we are looking to engage, are obviously measured against what we might wish, hope and expect to engage through rugby, for example. It is about an intelligent application of that.

Clearly, I would have thought you would want us to engage an audience on politics. What those analytics do is show you how to do that. Of course, you have to take an intelligent and thoughtful approach to it, but we will absolutely cover those areas and are committed to them. They are all part of our brand. They are part of the audience that we are growing so that we have a website of value that advertisers will want to appear on.

Q310 Chair: Isn’t there also a danger, though, that the audience who are clicking on that free content might be a very different audience from the audience who are buying either the e-version or the print version? There may be a danger if you become too—well, not obsessed, but too interested in simply promoting stories that are going to get lots of clicks, the print version will start to reflect that. I am sure this would not happen, but it could technically

become full of stuff about soap stars with nothing at all about what is going on in Cardiff. I know that is an exaggeration but—

Alan Edmunds: I think for the reasons I have explained the idea that we would suddenly go down that path is clearly not the case. People use the phrase “to get a lot of clicks”. It is about the intelligent use of analytics to grow the local, loyal, engaged audience that you want that is of value that creates the brand that is WalesOnline.

Q311 Carolyn Harris: Personally, I lament the loss of the print because I do not think anybody can overestimate the effect of your child being in the paper and the photographs being there. I think it is a tragedy that we are where we are. I do buy *The South Wales Evening Post*. I have it delivered every day to the house and I read them on a Saturday afternoon. I get very frustrated when daily I look at the stories online and when you click you have to pay to see the rest of the story. I find that really frustrating. I know that Media Wales has not done that. What effect has that had on your business, both financially and editorially?

Alan Edmunds: You are talking about a paywall there—

Carolyn Harris: Yes.

Alan Edmunds: —but we have never had a paywall.

Carolyn Harris: So what advantage has that given you over newspapers that do have a paywall?

Alan Edmunds: What it means is that we can grow our audience faster. As I said, WalesOnline has grown an enormous audience. Then what we obviously have to do is use that growth and that audience to make sure that we monetise it through advertising.

Q312 Carolyn Harris: Financially, you have not lost by not having a paywall?

Alan Edmunds: They are different routes that different companies have taken. You can see from what has happened with some titles that have gone behind paywalls and then changed that.

Carolyn Harris: *The Guardian*, for example.

Alan Edmunds: It is a different course, but we are convinced that this is the right way. We are growing our audience very successfully and we are also growing our revenues.

Q313 Chair: I got the sense from your written evidence, Martin, that you might not be 100% in agreement with that approach?

Martin Shipton: If we move away from Trinity Mirror and look at *The Guardian*, *The Guardian* has had a digital first policy for quite a few years now. *The Guardian* loses £1 million a week and is able to survive only because of the investments it has largely as a result of a sale of the *Auto Trader* magazine, which it used to own. It comes back to this crucial issue about monetising the contents. Newspapers since they began have always had two revenue streams: the sale of the newspaper to people who want to read it, and advertising revenue. The industry, or those companies that want to have a digital future, are trying to make do with one revenue stream, which is advertising alone. That in itself is a huge challenge.

The difficulty that web-based news has in terms of selling advertising was made clear to me in a meeting with the finance director of Trinity Mirror a couple of months before Christmas when he said, “What you have to realise is that the internet is infinite and, therefore, there is an infinite number of potential competitors”. Going back a few decades, newspapers were very fortunate in having a monopoly of local advertising. That is no longer the case and, therefore, the revenue that is available in advertising is much depreciated. The challenge for all private sector news organisations now is to make sufficient money to be able to sustain credible news services. I think we are making very valiant efforts in that direction, but it is challenging without a doubt.

Q314 Chair: Fundamentally, the problem is that all of us, maybe with one or two exceptions, were born before 1985 so we reflect our generation. We like to have bits of paper and photographs. I do, like Carolyn. We probably all do, maybe with one or two exceptions here. The people who were born after 1985 grew up completely differently. They probably do not like bits of paper. They want e-books and digital stuff. It is a different world out there.

Martin Shipton: That is inevitably the case. That is true. Of course it is, but people are conditioned now to get information and news free of charge and that is a major challenge to all private sector news outlets.

Alan Edmunds: It is hugely important to Wales that WalesOnline has been the success that it is because, otherwise, you would have BBC Wales and then you would have virtually nothing in terms of a national alternative. Of course, one of the issues, were a website like ours ever to consider a paywall, would obviously be the strength of the BBC Wales offering as a free alternative. I think the fact that WalesOnline has grown its audience to such an extent has led the way. We were the first regional newsroom to integrate our teams. We had separate teams for each title and we brought them as one to make sure that we drove our digital audience effectively. Now most newsrooms around the country look that way. It has been a huge success and in some respects. As I said, it has led the way and it is certainly a very important alternative to the BBC in Wales.

Q315 Craig Williams: Mr Chairman, on behalf of 1985, can I kick back a bit? I have noticed over the past couple of years—and I am not comparing them but there is obviously a demand out there because they are popping up—community-based newspapers, news magazines. For example, *My Whitchurch* is a good one. There are communities like that popping up all over Cardiff, which are putting together these magazines that feature news. They dedicate about a third of it to news. They are not daily, they are not even weekly, but there is obviously some kind of demand popping up in our communities for news in that fashion. Why do you think that is happening and do you see that as a growing competitor?

Alan Edmunds: It is the changing news market. I think plurality is important and competition is important. If there are opportunities that are being taken by small businesses to create those titles, I think that is a good thing.

Q316 Dr James Davies: Mr Shipton, in your written evidence you raised concerns about public funding restraints for television productions, television companies in Wales. Do both of you feel that there will be an impact on the quality of news programmes as a result of that?

Martin Shipton: In terms of cuts affecting the BBC and S4C, I think it is a danger. There is already demonstrable evidence that the amount of English language TV produced by

BBC Wales is in decline and that is a matter of considerable concern for many people. I think that is undoubtedly the case.

In the case of S4C, clearly last week's announcement was very welcome. It is going to be important that the inquiry that has been announced looks closely at the future of S4C because it is a very important Welsh institution. It is the only TV station in Welsh in the whole world. It is important that it is nurtured and has a sustainable future. To be in a position where its funding is only confirmed up until 2017 is a very unfortunate place to be. The sooner there is some degree of certainty about its long-term future the better. I do think that funding cuts are already having an impact and certainly, if they continue, they will have a devastating consequence.

Alan Edmunds: What you tend to find is the skill of the teams at BBC and S4C in terms of managing to keep an amazingly high level of quality, even with a smaller resource, but it certainly is a very big issue. Obviously, in Wales we all want a very strong national and local media and anything that puts that at risk needs to be looked at very carefully.

Q317 Chair: Perhaps wearing your hat as an NUJ representative, Martin, rather than *The Western Mail*, would you support the idea of removing the BBC Trust from the process of getting money to S4C and having some arrangement where the money went directly from the licence fee collection?

Martin Shipton: The way in which the current arrangement came about was a very strange one. It was all dreamt up very quickly in some hotel, apparently, at the time of the CSR in 2010. It seems to have been worked out—I don't know whether they were drinking alcohol—over some drinks or coffee or whatever.

Chair: Surely not.

Martin Shipton: That does not seem to be a very good way to decide how a national television station will be funded. From the BBC's point of view, the unfortunate thing is that it is in a position of having to determine how much funding shall go to S4C. That is essentially the case at the moment. That is not a good position to be in and, if the arrangements change and you have a unitary board instead of some kind of, arguably pseudo, arm's length arrangement like with the BBC Trust, you are going to have people making decisions about funding another broadcaster who have a vested interest in keeping their funding going. I don't think that that has a sustainable future and it would be better for S4C to be funded separately.

Q318 Chair: What do you make of this proposal that the BBC has put forward of BBC journalists working with local reporters when reporting on councils, courts and public services?

Martin Shipton: I have to say that I am not greatly enthused by it. From the point of view of a working journalist, when you are working you have loyalty to the organisation for which you work. The idea that a BBC journalist is going to have the same kind of loyalty to some private sector organisation, for which he or she may be sent, is perhaps a little fanciful and I am not quite sure how it would work out in practice. There are perhaps other ways in which the BBC could help the private sector news organisations. For example, if there were certain events that they were covering, which the private sector organisation

was unable to cover, and they could provide footage, that would be all right. From a practical point of view, I do not see how a BBC journalist would function within a private sector newsroom.

Q319 Chair: The million dollar question, I suppose, if I may: what could MPs and AMs be doing to support a strong and varied press in Wales? What would be a recommendation that would have a *Western Mail* headline of, “The Welsh Affairs Select Committee is fantastic—this is just what we want to see”?

Alan Edmunds: I think meetings like today are important. It is engaging and understanding: understanding the importance of online, how sophisticated online is and what a great opportunity it is for Wales and, also, how online and print can work together. We are learning about that all the time. I think that engagement is important, because when you are trying to engage with the electorate so are we. We can work with a greater understanding of how to do that, and I am sure there are lots of things that we have learnt that we would be happy to share with you.

Martin Shipton: I also think that it is important that you seek to hold these big media corporations to account. I don’t think there is any doubt at all that big media organisations are susceptible to influence by bodies like your Committee and, also for that matter, by the National Assembly. If they are kept under scrutiny, they will be less inclined to implement change that has a negative impact on news coverage of Wales. It is important to be constantly vigilant.

Q320 Chris Davies: It may have been asked before I came in, Chairman: we have come a long way in 20 years. We have come a long way in 10 years. Where do you think you will be in 20 years’ time? I have no doubt Martin will still be at the helm of *The Western Mail* political reporting. Where do you think *The Western Mail* will be in 20 years’ time?

Alan Edmunds: We have made some announcements today. We have appointed a new editor of *The Western Mail* today. My role is changing. I am becoming deputy editorial director for Trinity Mirror’s regional titles within their new, enlarged business. Catrin Pascoe, who is the editor of the *Echo*, becomes the editor of *The Western Mail*. I remain as editor-in-chief for a while, to look at how we work and co-operate with Swansea. There is no question that WalesOnline will grow and be a crucial part of everyday life in Wales. That is our aim, to be a really important part of people’s everyday lives. I would absolutely hope that there is a place for print. *The Western Mail* is a huge part of the fabric of Welsh society and our aim will be to ensure that both digital and print survive for as long as we can create a thriving business for them to do so.

Q321 Chris Davies: Your last comment, is that the key point? Because over the last 20 years, over the last 10 years, over the last five years probably, the circulation has gone down considerably. How do you stop that?

Alan Edmunds: Yes, but that is a global issue.

Chris Davies: Yes, absolutely, but what about here?

Alan Edmunds: In a way, the answer to your question will be not what happens to *The Western Mail*, it will be what happens to print generally. Obviously, it is very hard to call that. As publishers of *The Western Mail* and WalesOnline, we fully intend to publish them

for as long a profitable future as we can give them. That is what we come into work to do every day.

Q322 Liz Saville Roberts: Certainly, when you are talking about the direction in which print is going, and the direction in which advertising revenue is going as well, a particular area of interest is the fact that *The Western Mail* covers a certain area of Wales in one fashion; *The Daily Post* covers it in an entirely different fashion. At one stage, *The Western Mail*—this is going back a good 20, perhaps, 25 years—had an edition for North Wales as well. Do you have a vision, in the sense that your organisation represents Wales as a whole in a similar fashion as opposed to the rather local fashion in the north and the national fashion in the south?

Alan Edmunds: Of course, WalesOnline represents Wales as a whole. It has a stronger readership in North Wales than *The Western Mail* does. *The Western Mail* has never been particularly strong in the north. It has always been stronger in the west and south, and *The Daily Post* has obviously always been very strong in the north. That is reflected obviously in the way that we report our stories. We certainly treat all North Wales issues in *The Western Mail* very seriously and give them a lot of coverage. It is just that *The Daily Post* is the stronger brand there.

Q323 Chair: Any last comments?

Martin Shipton: I think that it is extremely important that we try to maintain print as long as possible because the sadness for me is that, to a large extent, newspaper companies have lost faith in the future of newspapers. They are concentrating very heavily on digital. I understand all the arguments about the fact that younger people do not buy newspapers, and that used to be the case many years ago as well but people tended to grow into newspapers as they got older. Newspapers have a cachet of their own. Reading a newspaper is a particular experience where you can find stories that you would not find if you are just looking online. I think many people have been led to find out things about their communities, and about their society generally, from reading newspapers, which they would not find out if they were simply going into things that they were immediately interested in online. I think it is very important that print is maintained for as long as possible.

Alan Edmunds: I don't agree with Martin at all that we have lost faith in newspapers. What is absolutely vital is that we are building a digital future. If we were not doing that for Wales, for example, I think that would be very worrying for Wales. At the same time as we are doing that, we still obviously have a huge focus on print. We have a massive resource involved in producing our print publications every day and we are totally committed to them. It is the fact that we are building such a fantastic digital future, and some great expertise around that, which I think should be welcomed and is really important to Wales.

Chair: One eye on the time; perhaps I can make this the last question.

Carolyn Harris: It is not a question, just a comment, actually. It is to support Martin in what he has said. There is a whole generation of kids out there who have learnt to read from looking at the newspaper. It is even more important for the whole generation of people out there who find out if they have lost friends or when friends' funerals are, really important

things, people who would not go online. There is a whole generation of people who rely heavily on print and I would be devastated if we were to lose that, especially the *South Wales Evening Post* because that is a community paper.

Chair: One very final one.

Chris Davies: One last comment then is just to say that it is reassuring to see there are not just differences in political parties on occasions, there are differences in newspapers and media as well, so thank you very much.

Chair: And agreement among people of different political parties, perhaps. Anyway, thank you both very much. I know you have had a difficult journey so we are doubly grateful to you for coming up today. I hope you have a safe journey back. I am afraid, gentlemen, we have to throw you out, because we are going to continue the amicable and united discussion that we are having on the draft report into the Wales Bill for the next hour or so.

Carolyn Harris: It will not be so amicable then.

Chair: Thank you very much indeed.