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Dear Anne Lambert,

The National Union of Journalists (NUJ) notes your statement of 10 October 2017 inviting submissions in relation to the proposed merger of 21st Century Fox Inc and Sky plc.

The NUJ is the voice for journalism and for journalists across the UK and Ireland. It was founded in 1907 and has 30,000 members. We are an affiliate of both the European Federation of Journalists and the International Federation of Journalists (IFJ). We represent journalists working at home and abroad in all sectors of the media, including staff, freelancers and students – writers, reporters, editors, sub-editors, photographers, illustrators and people who work in public relations. The union is not affiliated to any political party and has a cross-party parliamentary group.

The NUJ strongly supports an investigation by the Competition and Markets Authority (CMA) into the proposed merger, which poses a significant threat to media plurality and broadcasting standards.

As a union we have a strong commitment to the concept of media diversity. Any individual, family or company that dominates the media landscape is fundamentally damaging to democracy.

In examining the proposed merger, the CMA should consider the already unsatisfactory situation prevailing in the UK, where the provision of radio and television news is restricted to the BBC and two dominant players in the commercial sector.

Sky and NewsCorp are the biggest commercial news producers in the UK and their combined influence gives cause for concern. For example, Sky News Radio is the main supplier of news to more than 280 commercial stations across the UK. Sky's only real competitor in radio news production is our public service broadcaster, the BBC. In television, there are now only two UK-based 24-hour television news channels – Sky News and the BBC News Channel.

A report produced by the Media Reform Coalition in conjunction with Avaaz, entitled *Consolidating Control: The Fox/Sky merger and news plurality in the UK*, argues there is an unprecedented case for intervention on plurality grounds, and that the competition authorities should reject the acquisition in order to safeguard plurality. The data contained in the report strongly suggests that, should the deal be allowed to progress, it will result in an unparalleled accumulation of media power in the hands of one family, posing a grave threat to media plurality in Britain for generations to come.

The report shows that the ownership landscape in which both Sky and News UK operate remains largely unchanged since 2011, when Rupert Murdoch made an initial attempt to buy out the remaining shares in Sky plc. There does, however, appear to have been a marked decline since then in the number of wholesale news sources on which most consumers rely. This suggests that, while the overall picture on plurality is relatively stable on the aggregate level, it is worsening at the level of individual exposure, a condition that further increases the risk posed to diversity and plurality by the proposed deal.

Previously the NUJ welcomed the public interest test on News Corporation's proposal to take total control of BSkyB by acquiring the remaining 60.9 per cent of BSkyB shares it did not own. News Corp already owned a third of the existing newspaper circulation. BSkyB is one of only two commercial TV news companies in the UK and supplies virtually all commercial radio news. The merged company would have had a reach of 52 per cent of the adult population, with profound consequences, not just for media plurality, but also for democracy. It was only the unfolding scandal of dubious workplace practices at Murdoch's News of World, along with the public campaign of opposition, that helped put a halt to the merger bid.

If the current bid is successful, 21st Century Fox, which is controlled by the Murdoch Family Trust, will go from owning less than half of Sky to 100 per cent ownership and 21st Century Fox plc would directly control the dominant commercial news producers in the UK across television, radio and print. If plurality means anything, it indicates news from diverse, reliable, independent sources.

In opposing the merger the NUJ is also mindful of the track record of Rupert and James Murdoch. This should also be considered by the CMA and the fig leaf of corporate restructuring should not be used as a mechanism to allow the Murdoch family to gain further dominance, control and influence. The propriety of the proposed purchasers and controllers, including James and Rupert Murdoch, must be examined. The investigation must assess whether the proposed owners are persons who are likely to maintain high standards of corporate governance, accountability, and conduct.

The Murdoch family business spans film, television, cable, satellite, newspapers, magazines and book publishing. This cross-ownership and its economy of scale have allowed Murdoch to cross-subsidise and cross-publicise his activities. It has allowed him to embark on savage price-cutting campaigns and bolster loss-making, yet prestigious enterprises, such as The Times.

Our concerns are already a matter of public record. The CMA investigation should also be viewed in the context of the Leveson Inquiry and the events which led to its establishment. The NUJ strongly believes there should be no question of this deal being considered until Part Two of the Leveson Inquiry has taken place.

The Leveson Inquiry Part 1 looked at the relationship between politicians and the press. The revelation that members of parliament, lawyers and witnesses to the telephone hacking affair were spied on by private investigators is ample evidence of carrot and stick methods used by the servants of this media mogul.

We share the concerns expressed by Alan Rusbridger, former editor of The Guardian, when he said that "something was dangerously out of kilter" when MPs such as Adam Price, who at the time was on the culture, media and sport parliamentary select committee, confessed he had been "held back" from probing News Corporation's affairs because of "fear of what that company might do to them" – or when former employees are "too frightened to speak publicly about what they know".

In April 2012 Rupert Murdoch attended the Leveson Inquiry Part One and claimed that the in-house management and standards committee "did not disclose any sources of any journalists at all" but when the data was handed over to the police there was no consideration of the public interest or ethical standards, and there was no thought to the consequences of outing journalistic sources. It is

a core principle of journalism that sources and whistle-blowers are protected. Murdoch trashed this core principle of journalism without a thought to the consequences, in order to do a deal with the Metropolitan police and attempt to salvage his corporate reputation. At the time the union received calls from journalists and from whistleblowers who felt betrayed when more than 300 million emails, expense claims, phone records and other documents were handed over to the authorities. This is just one reason why the NUJ has no confidence in Murdoch's ability to maintain or promote broadcasting standards.

The NUJ believes it is vitally important to support the growth and availability of quality journalism across a range of platforms and providers. We believe this is not possible by the exertion of market forces alone; indeed, it is the competitive nature of the media industry, and the cut-throat practices by some of its owners, that have led directly to a diminution of choice.

As we said in our opening statement to the Leveson Inquiry, the increasing consolidation of media ownership and the disproportionate power and influence which this brings is a matter for concern. The application of a rigorous public interest test should be a prerequisite when media titles or broadcasting rights come on the market.

The central role of the media in a democracy and the potential consequences of concentration of ownership mean that business transactions involving media organisations must be treated differently to other sales.

We would like to arrange a meeting with you and representatives from the CMA to discuss our concerns before we submit further evidence as part of the ongoing consultation.

Yours sincerely

Michelle Stanistreet
NUJ general secretary