

# Agenda – Culture, Communications, Welsh Language, Sport, and International Relations Committee

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Meeting Venue:

Committee Room 4, Tŷ Hywel

Meeting date: 30 November 2022

Meeting time: 09.30

For further information contact:

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Committee Clerk

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## Pre-meeting registration

(09.15–09.30)

### 1 Introductions, apologies, substitutions and declarations of interest

(09.30)

### 2 Challenges facing the creative industry workforce: Evidence session with Trade unions and employee representatives

(09.30–10.30)

(Pages 1 – 29)

Andy Warnock, Wales and South West England Regional Officer, Musicians' Union

Simon Curtis, National and Regional Official, Wales and South West England, Equity

Carwyn Donovan, Wales Negotiations Officer, Broadcasting, Entertainment, Communications and Theatre Union (BECTU)

Research brief

Consultation response from Musicians' Union

Consultation response from Equity

## Break

(10.30–10.40)



### **3 Challenges facing the creative industry workforce: Evidence session with screen industries organisations**

(10.40–11.40)

(Pages 30 – 36)

Pauline Burt, Chief Executive Officer, Ffilm Cymru Wales

Gabriella Ricci, Production Executive, Bad Wolf Studios

Allison Dowzell, Managing Director, Screen Alliance Wales

Richard Pring, Founder & Director, Wales Interactive

Consultation response from Ffilm Cymru Wales

### **4 Papers to note**

(11.40)

#### **4.1 Letter from the Chair of Finance Committee to the First Minister regarding scrutiny of the financial implications of Bills**

(Pages 37 – 39)

#### **4.2 Letter from the Chair of the Economy, Trade and Rural Affairs Committee to the First Minister regarding the Second Additional Protocol to the Council of Europe Convention on Cybercrime**

(Pages 40 – 41)

#### **4.3 Letter from the Chair of the Children, Young People and Education Committee to the Chair of the Culture, Communications, Welsh Language, Sport, and International Relations Committee regarding the Welsh Government's Draft Budget 2023–24**

(Pages 42 – 43)

#### **4.4 Additional information from Coleg Cymraeg Cenedlaethol following the evidence session on 13 October**

(Page 44)

#### **4.5 Letter from Director, Creu Cymru to the Chair of the Culture, Communications, Welsh Language, Sport, and International Relations Committee regarding a possible take over by a commercial organisation of St David's Hall in Cardiff**

(Pages 45 – 46)

- 5 Motion under Standing Order 17.42 to resolve to exclude the public from the remainder of this meeting**  
(11.40)
- 6 Private debrief**  
(11.40–11.50)
- 7 Supplementary LCM on the Online Safety Bill: Consideration of draft Report**  
(11.50–12.00) (Pages 47 – 51)
- 8 Consideration of draft Terms of Reference for future inquiry into Wales–Ireland relations**  
(12.00–12.20) (Pages 52 – 59)
- 9 Consideration of draft correspondence**  
(12.20–12.30) (Pages 60 – 61)  
Draft letter to the First Minister

Document is Restricted

## Musicians' Union evidence

30 September 2022

### Introduction

The Musicians' Union (MU) is the trade union for musicians in the UK, with over 32,000 members working in all sectors of the music business.

What is the current health of the sector's workforce, including the impacts of the pandemic, Brexit, and the cost of living crisis? Have workers left the sector, and what impact has this had?

Many musicians are currently in an extremely difficult position due to a combination of factors, any one of which would be problematic on its own, but which are now affecting the creative industries at the same time.

Firstly, over a decade of austerity has had a significant impact on musicians and the music industry. Public funding cuts combined with a decline in living standards and disposable income among the general public have had a variety of consequences for many people and organisations in the creative industries, including static or reduced pay and conditions for workers. For some organisations it is an achievement to still be in existence today, partly thanks to the workforce accepting real-terms pay cuts and making difficult compromises while continuing to work hard in an increasingly difficult climate. Many people who would have been employed on good contracts with fixed hours 15 years ago are now on zero-hour contracts or self-employed, with a related reduction in their conditions and job security.

Secondly, the changing nature of the music industry, including the rise of streaming, has had a significant effect on musicians' work and incomes. This was highlighted during the pandemic, as it became clear when live music stopped that even successful, well-known musicians couldn't live on their income from recorded music.<sup>1</sup> The MU has done extensive work on this through our Fix Streaming campaign, and recently expressed our concern that the Competition and Markets Authority has so far decided not to proceed with a full investigation of the music streaming market,<sup>2</sup> in addition to our initial submission to the market study.<sup>3</sup> The House of Commons Digital, Culture, Media and Sport Committee report into the economics of music streaming recognised this, as outlined by the first paragraph of their conclusions and recommendations: 'Streaming has undoubtedly helped save the music industry following two decades of digital piracy but it is clear that what has been saved does not work for everyone ... Streaming needs a complete reset.'<sup>4</sup>

Thirdly, Brexit is still causing significant issues for musicians. The number of musicians who are contacting us seeking help with what would have previously been problem-free travel to and from, and activity in, Europe is a clear indication of the confusion still being caused by Brexit, which means musicians have to spend more time and money to make work in Europe possible. Given the significant audiences and general investment into culture and the arts in much of Europe this has a direct effect on many musicians' livelihoods as well as talent

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<sup>1</sup> <https://www.theguardian.com/business/2020/nov/24/nadine-shah-i-cant-pay-the-rent-on-unfair-music-streaming-revenues>

<sup>2</sup> [https://assets.publishing.service.gov.uk/media/6322017fd3bf7f33d6200ca8/Musicians\\_Union\\_21.9.22.pdf](https://assets.publishing.service.gov.uk/media/6322017fd3bf7f33d6200ca8/Musicians_Union_21.9.22.pdf)

<sup>3</sup> [https://assets.publishing.service.gov.uk/media/62541ab48fa8f54a89b54bc7/Musicians\\_Union.pdf](https://assets.publishing.service.gov.uk/media/62541ab48fa8f54a89b54bc7/Musicians_Union.pdf)

<sup>4</sup> <https://committees.parliament.uk/publications/6739/documents/72525/default/>

development in the UK music industry. This was recently recognised by the All Party Parliamentary Group on Music in their report 'Let the Music Move – A New Deal for Touring': 'Our work found that while limited progress has been made, UK music workers are facing more costs, more complications and getting fewer opportunities after leaving the EU ... Other reports have shown how these issues extend across the cultural sector ... and these barriers are particularly acute for less established and young artists. In the long term this threatens the health of the industry, the joy it provides to the UK and the revenue it brings to the Treasury.'<sup>5</sup>

Finally, musicians are now being badly affected by the cost of living crisis, at a time when the recovery from the Covid-19 pandemic was still ongoing. Our current concerns about these issues were set out in our submission to the Committee's inquiry on increasing costs.<sup>6</sup> UK Music's 'This Is Music 2022' report<sup>7</sup> sets out that a third of the workforce left the sector in 2020, most of them freelance musicians, with employment 26% lower in 2021 (at 145,000 people) than 2019 (197,00 people), and that many of those who fell through the gaps of government support either retired, retrained, or sought alternative employment.

#### How financially stable is the sector and how suitable are pay and working conditions?

Financial stability as well as pay and conditions vary significantly across different areas of the creative industries in Wales and across the UK. Organisations supported by public funding (including from the Arts Councils, Welsh Government, UK Government, and local councils), including schools, the BBC, S4C, and many orchestras, are seeing their funding being further eroded in real terms after austerity by high levels of inflation. However, other businesses, including international broadcasters and media companies, are potentially in a very different situation, with more freedom to invest, borrow, and grow. The MU, like the other creative unions, has various collective agreements with specific organisations (such as the BBC, ITV, WNO, and Sinfonia Cymru), as well as industry bodies (such as the BPI, TAC, PACT, and ABO) that set terms and minimum rates for the engagement of musicians, as well as promulgated rates and template contracts for work such as live performance.

There is currently a mixed picture, as some shows and organisations are doing well, but other organisations and venues we have spoken to indicate they have been facing difficulties since re-opening after lockdown. These include different audience behaviour, such as reduced advance ticket sales, with more ticket purchases happening closer to gigs, and more no-shows (which mean reduced food and drink sales regardless of the ticket purchase).

Increased energy costs are a major issue and a new threat to financial stability across much of the creative industries, with significant increases in costs for venues and studios that aren't on fixed term contracts, even with the UK Government's energy scheme. That scheme is also currently only scheduled to last for six months, which leaves significant uncertainty in relation to organisations' budgets that, as noted above, are already being reduced in real terms by inflation. Musicians specifically are facing increases in their personal and business costs – again, even with the UK Government's energy scheme – as well as real terms cuts to fees and income which aren't increasing in line with inflation.

Most musicians have portfolio careers that involve a variety of different engagements with different contractual arrangements, as pay, contracts, and working conditions vary

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<sup>5</sup> [https://www.ukmusic.org/wp-content/uploads/2022/07/APPG-on-Music\\_Let-the-Music-Move\\_A-New-Deal-For-Touring.pdf](https://www.ukmusic.org/wp-content/uploads/2022/07/APPG-on-Music_Let-the-Music-Move_A-New-Deal-For-Touring.pdf)

<sup>6</sup> <https://business.senedd.wales/documents/s129498/IIC%2027%20Musicians%20Union.pdf>

<sup>7</sup> <https://www.ukmusic.org/wp-content/uploads/2022/09/This-Is-Music-2022.pdf>

significantly across the music industry. They range from full and part time employees, to employees or workers doing significant amounts of work on zero hours contracts, and many people doing significant amounts of self-employed work.

Many musicians also work under agreements including recording, publishing, licensing, agency, session, and management contracts that cover activity including live performances, recording, song writing, and composing, along with the associated intellectual property. Royalties from those contracts as well as PRS, MCPS, and PPL form an important part of many musicians' income streams. Unfortunately, many venues, labels, and publishers are less willing to negotiate on contracts to secure a fair and reasonable outcome for all parties than we would hope, while some companies actively encourage young and inexperienced musicians to pay upfront for benefits that may not materialise as promised. Buyouts have become an increasingly common feature of contracts for song writers and composers in recent years, which we are working against through the Composers Against Buyouts campaign and Fair Commissioning Manifesto, in partnership with the Ivors Academy.<sup>8</sup>

Unfortunately, many organisations, including those that receive public funding, still offer poor terms and conditions to musicians and other creative workers and don't engage with union rates and terms or negotiation and discussion. Some work carried out by musicians – including teaching instrumental music lessons – has also become increasingly fractured and casualised over the past decade, with a reduction in terms from stable and secure employed work to zero hours or self-employed work (including potential false self-employment), as noted above. This, combined with the often-variable nature of musicians' income and difficulties accessing support (including sick pay) and benefits compared to people in more traditional employment, means there is a potential lack of resilience among musicians that is a particular concern in the current cost of living crisis following soon after the pandemic. The nature of many musicians' work and contracts means that they often lack job security as well as the rights, ability, and confidence to address issues. They are therefore in a vulnerable position which can lead to a tolerance of, and difficulty in challenging, problems and poor behaviour by individuals and organisations on issues from health and safety to discrimination. We also know that many musicians have encountered problems with accessing benefits such as Universal Credit during the last two and a half years, particularly if they have portfolio careers and do significant amounts of self-employed work.

Given that, it's essential that fair work – including fair pay and terms, for activity carried out now and in the future, as well as intellectual property and royalties – is encouraged and required across the music industry and broader creative industries in Wales, in order to ensure a vibrant, diverse, inclusive, and growing sector. There should be a clear expectation that all organisations in the creative industries receiving public funding use union rates and terms and engage in discussions and negotiations with the creative unions on a social partnership basis, including formal collective bargaining for large organisations. This should be a clear element of the 'cultural contract', which is a promising concept that needs further work and engagement. This would also be a helpful and effective extension of the principles in the Social Partnership and Public Procurement (Wales) Bill to the creative industries, beyond the public bodies that are formally subject to the Well-being of Future Generations (Wales) Act 2015.

#### How equal, diverse and inclusive is the sector? How can this be improved?

The creative industries in Wales have had problems with equality, diversity, and inclusion and more work is needed in this area, but the sector is making progress, with the support of funders including the Arts Council of Wales (ACW), Creative Wales, and PRS Foundation

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<sup>8</sup> <https://musiciansunion.org.uk/campaigns/composers-against-buyouts>

(e.g. through Power Up<sup>9</sup>). Funding is important to support diversity and inclusion in relation to talent development, as well as accessibility for venues and studios, especially at a grassroots level. The MU is committed to supporting this work, through our own initiatives such as our Equality, Diversity, and Inclusion Committee, equality network groups,<sup>10</sup> and SafeSpace scheme,<sup>11</sup> as well as in partnership with others. It's also important to note that fair work, with fair pay and conditions as well as the right support, is a crucial requirement for increasing the diversity of the sector. On the other hand, in the past we have heard concerns about the way certain genres and artists have been treated, and it's important to create opportunities to raise problems and discuss these issues at a high level.

Cult Cymru's work on wellbeing facilitators<sup>12</sup> is an important development in this area, and we are keen to explore the roll out of wellbeing facilitators to music, where work can be even more isolated and dispersed than other areas of the creative industries. The nature of the music industry and the way many musicians are engaged means they are often reluctant to draw attention to poor treatment out of fear of losing work, so it's crucial that they are supported and that organisations have appropriate systems and policies in place to deal with issues including discrimination, harassment, and other inappropriate behaviour for all types of workers, not just employees.

How sufficient are skills and training opportunities? Are there gaps, and how should they be filled?

The launch of the new National Plan for Music Education in Wales was a very welcome step to ensure that there is a formal strategy in relation to music education, a crucial starting point for talent and audience development. We were pleased that the plan recognised the importance of the music education workforce and committed to a review of teachers' pay and conditions. However, it is also important to note that the plan has not actually created a 'national music service', which could be confusing for the public. We still have some concerns about the plan, including the level of funding (which is a significant increase but not a huge amount compared to the level of ambition), the systems for accountability, governance, and evaluation, and ensuring that schools engage with the plan, music services and teachers. We are continuing to engage with Welsh Government, the WLGA, and music services on those issues.

The creation of Creative Wales within Welsh Government has been very positive for the sector, and we are pleased that they have engaged positively with the MU and the other creative unions in the spirit of social partnership. The Creative Skills Action Plan and Creative Skills Fund, supported by the Creative Skills Advisory Panel, are also positive, and we look forward to continuing our engagement with them, particularly in relation to talent development and ensuring that musicians from all genres, backgrounds, and areas of Wales can be supported to develop their skills.

It's important to note that the Wales Union Learning Fund, a broad scheme that supports initiatives across many unions and sectors of the economy, has enabled excellent work on skills and training for workers in the creative industries through the Creative Unions Learning Together 'CULT Cymru' project.

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<sup>9</sup> <https://prsfoundation.com/2022/09/06/power-up-announces-details-of-new-partnership-with-arts-council-of-wales/>

<sup>10</sup> <https://musiciansunion.org.uk/about-the-mu/equality-diversity-and-inclusion/equality-member-networks>

<sup>11</sup> <https://musiciansunion.org.uk/safespace>

<sup>12</sup> <https://cult.cymru/en/wellbeing-facilitator-pilot-grant-for-production-companies/>



In time the National Plan for Music Education, the Creative Skills Action Plan, and the Wales Union Learning Fund, as well as HE and FE providers, should be able to offer a good framework for skills and training opportunities as well as talent and audience development in Wales. However, a long-standing weakness in the music industry in Wales is the lack of joined up work, so it's important to encourage greater collaboration as well as clear resources and guidance in the future. Each element also requires sufficient funding in order to be successful and ensure that opportunities to make, learn about, and experience music of all types and genres are available to people from all backgrounds and areas of Wales, and that support is available from beginners up to a professional level.

What has been the impact of support from public bodies such as the Welsh Government, and is further support needed?

The support from Welsh Government and ACW during the covid-19 pandemic – much of it through the Cultural Recovery Fund and related Freelancer Fund – was crucial and very welcome. The music industry and broader creative industries in Wales would have been devastated without that specific support, and funding for individuals from ACW and the Freelancer Fund made a real difference to the musicians and other creative workers who had fallen through the gaps of the UK Government schemes, even if it couldn't fill those gaps completely.

Over the past nine months both ACW and Creative Wales have sought to move back to a form of 'new normal', and in that context the Creative Wales Music Capital Fund and Music Revenue Fund were both positive funding schemes. We hope to see more of these schemes in the future as well as, ideally, schemes that provide support direct to musicians to encourage their growth in addition to other initiatives like BBC Horizons.

ACW has also initiated an Investment Review consultation that we are pleased to be involved in. We have some concerns about ACW's potential new approach to funding set out in that consultation, in relation to issues such as the long-term stability needed to run the largest organisations effectively, how 'performance' is defined, and how positive approaches to social partnership and fair work are encouraged, and look forward to engaging further with them on those issues.

However, as outlined in our submission about increasing costs further support is needed in relation to the cost of living crisis. Given the overall direction of funding over the past decade, organisations are finding it difficult to offer pay rises even approaching inflation, as well as to be sustainable and effective. We aren't currently aware of any plans to provide further support to mitigate those issues, which is needed and could take a variety of forms.

We would also urge the Welsh Government to continue to consider how it can go further in supporting the creative industries and creative industry workforce in Wales beyond funding. A key example of this is conditionality in funding, to direct organisations to engage with the Welsh music industry including Welsh and Wales-based musicians, and to require or at least encourage fair work. For instance – and we understand there has been an agreement for this to happen – film and TV productions supported by Creative Wales should include a certain level of music written and/or performed by Welsh or Wales-based musicians, and any music commissioned or paid for in relation to those productions should be in line with the MU and Ivors Academy Fair Commissioning Manifesto

Finally, support for music and the wider creative industries from local government varies and has been eroded by austerity over the past decade. In addition to increasing this funding we would like to see more engagement on music, culture, and the creative industries by local government, including through public sector boards, as well as more specific advisory groups or boards on the night-time economy and culture/creative industries.

### Conclusion

Overall musicians in Wales are currently facing a variety of difficulties, in relation to broad issues such as Brexit, combined with the aftermath of the Covid-19 pandemic and the cost of living crisis.

In the short-term action is needed in relation to the cost of living crisis, and our submission to the committee's inquiry into increasing costs set out a number of measures that could and should be taken in relation to that this autumn, by the Welsh Government and UK Government. That submission was written before further details were announced about the Energy Bill Relief Scheme for businesses. However, the fact that support only lasts for six months before focusing on unspecified 'vulnerable industries' is very concerning due to the uncertainty that businesses still face in the medium term. Further urgent action is needed to support musicians in Wales, the Welsh music industry, and the broader creative industries workforce in Wales through the cost of living crisis, otherwise a significant sector that was supported through the Covid-19 pandemic will be devastated and that investment wasted.

Beyond that there are some positives for musicians in Wales, including the opportunities presented by the new National Plan for Music Education, the Creative Skills Action Plan and Creative Skills Fund, as well as ongoing work on equality, diversity, and inclusion. Our ongoing engagement with ACW, Creative Wales, and Welsh Government more broadly is also positive. There are challenges in relation to encouraging fair work, as well as equality, diversity, and inclusion, in relation to the creative industry workforce in Wales but we are confident that a social partnership approach between those public bodies, the MU and other creative unions, and organisations, can see further progress on these and other issues faced by the workforce during the current Senedd term.

Welsh Government needs to ensure that its work on, and commitment to, fair work and social partnership extends to the creative industries, to work and jobs beyond traditional employment, and – as much as possible - to organisations receiving public funding and then the private sector as a whole, as well as those covered by the Well-being of Future Generations (Wales) Act 2015 and Social Partnership and Public Procurement (Wales) Bill. If the Social Partnership Bill is passed then in turn the Future Generations Commissioner also needs to ensure they continue to engage with fair work, and issues relating to it, across all sectors.

Finally, in order to improve the current situation for musicians and the broader creative industries in Wales progress is needed on the major issues of Brexit and streaming, with continuing pressure on the UK Government to explore and implement solutions in those areas.

**Culture, Communications, Welsh Language, Sport, and International Relations Committee  
Equity Submission – Inquiry into the challenges facing the creative industry workforce in Wales**

Equity welcomes the opportunity afforded by the committee to respond to this inquiry.

This submission has been prepared by Equity, the leading trade union and representative stakeholder for performers and creative practitioners in the entertainment industry. We represent over 47,000 performers and creative practitioners across the UK including actors, directors, designers, choreographers, dancers, singers, entertainers, comedians, stage management and audio artists. Our members work on stage, on TV sets, on the catwalk, in film studios, in recording studios, in night clubs, in pubs, in community settings and in circus tents.

In Wales Equity represents almost 1,700 creative workers across the sector, and through its democratic structure provides the industry body for the creative worker and its collective voice.

## **Introduction**

Whilst our submission does respond to the entire series of questions in the call for evidence, many of these issues are intertwined because of the precarity of work within the sector. We have aimed to separate them out into meaningful responses to the questions posed by the committee but there may be repetition of points covering the same areas across the whole submission.

### **What is the current health of the sector's workforce, including the impacts of the pandemic, Brexit and cost of living crisis? Have workers left the sector, and what impact has this had?**

The sector's workforce are facing a crisis of income. The perfect storm of the last few years with its combination of unfavourable circumstances mean that without swift intervention we risk losing the foundation that the creative sector is built upon: the people, talent and experience of the workforce.

Creative workers need action now. Throughout the pandemic Equity members had to take on debt or additional debt as UK government schemes proved inadequate and patchy at best. Most creative workers are self-employed with no recourse to the furlough scheme, yet 40% were excluded from the SEISS. Of those that were able to access the scheme, 59% did not find it sufficient to meet their **basic** needs. We recognise the role that Welsh Government played and the financial support through the Freelancers Fund offered, for our members in Wales this provided much needed funds at times of desperation.

### **Impact of the pandemic**

Creative workers endured almost two years of devastating blows, with lockdowns, tier systems and the cancellation of all indoor and outdoor performances. Tentative attempts to return to work in the sector repeatedly met with disappointment as social distancing restrictions

tightened, often with little or no notice, and shifting timelines made it impossible for many creatives to plan for the future either artistically or financially.

Amid ongoing uncertainty some were able to return to their workplaces – such as those in the film and TV sectors – but they faced obstacles including insurance exclusions and the removal of performing artists from quarantine exemptions. All of this alongside the stress of having to work whilst increasing the risk to their families when they returned home despite the stringent testing and COVID protocols developed by the sector in consultation with the unions.

The reality for most of our members, including thousands of people who regularly work throughout the community in care homes or delivering theatre in education, was that there was no route back to work any time soon and many faced increased anxiety about work prospects over the two year period as well as financial hardship. This left too many people leaving the sector, including disproportionately those from marginalised groups, including women, Black, and deaf and disabled workers.

## **Brexit**

As the committee will be aware, in December 2020 the UK and EU signed the Trade and Cooperation Agreement which governs our trading and security relationship. Despite Equity's call to protect creative professionals and their ability to tour freely, the Trade Deal has made it very difficult for many of our members to work in the EU. Expensive visas, different work permits for different countries and inconsistent tax and security rules are just some of the obstacles workers now face.

*What our members tell us*

- 43% of Equity members report that Brexit has negatively affected their confidence in being able to find work in the arts and entertainment industry
- 31% have seen job advertisements and/or casting breakdowns asking for EU passport holders only to apply, with this number rising since the end of the pandemic restrictions on travel.
- 14% have been asked by their agent to confirm if they are an EU passport holder for the purpose of finding work.

In 2021 Equity, together with a number of unions, industry bodies and MPs from across the political spectrum, called upon the UK Government to fix the Brexit chaos.

We called for:

- A bespoke Visa Waiver Agreement with the EU for the creative sector
- Bilateral agreements with key individual EU Member States
- Emergency funding to cover additional costs when undertaking work in Europe
- Reduced impact of new road haulage and cross-trade rules

Their continued inability to resolve the problems faced by our members travelling to the EU 27 for work was mixed with a number of misleading statements about the level of progress they had achieved.

On the 4<sup>th</sup> August 2021 the UK Government announced that nineteen EU member states would allow performers visa and work permit free short term touring work. This was welcome, as previous announcements had only covered visa provisions. Indeed since January 2021 all UK nationals can travel for up to 90 days out of every 180 in the Schengen area. However permission to work is a different matter and the announcement by the then Culture Secretary

Oliver Dowden MP appeared to imply this ability in a more standardised way by referring to work permits.

Beyond the five-paragraph press release from the UK Government no further detail was forthcoming. We continue to press for answers to the following questions:

- What is meant by 'short term' touring? Do these provisions apply only to productions which move within or between states, or do they include British artists travelling to Europe to take part in a production at a single venue?
- How do work permit-free regimes interconnect to facilitate multi-state touring?
- Is the definition of short term touring common to all 19 EU member states on your list?
- Is the definition of touring or the waivers common to all 19 countries? Presuming it is not, when can we expect a clear and accessible list for artists and producers summarising the different regimes?
- From what date does any new regime apply?
- Do any exemptions include vital artists and staff beyond performers and musicians – specifically stage management, directors, designers, choreographers and other creatives?
- If you have not secured common agreement in all 19 countries, what steps are being taken to harmonise agreement?
- There continues to be a singular focus on live entertainment. As critical as this is, what progress has been made on equivalent visa and work permit waiver programmes for on TV, film, audio, new media, and other recorded work?

Over a year has passed and proposed solutions and responses have not materialised despite our collective efforts.

The UK Government also need to deliver on their promise to preserve and strengthen the UK legislative platform following our exit from the EU. We would welcome the UK Government delivering on their proposed employment bill, something we call for alongside other unions in the aftermath of the P&O scandal.

<https://www.tuc.org.uk/news/tuc-unions-demand-business-secretary-names-date-employment-bill-wake-po-scandal>

## **Cost of Living Crisis**

In our most recent published survey of members across the UK in June 2022 we reported how performers and creative workers were struggling to survive due to the cost-of-living crisis – with the majority expected to struggle to meet essential costs and many considering leaving the profession. Whilst we have not followed up this survey at the time of response to this inquiry, we know that the essential costs have only continued to rise and we have seen the number of members in crisis increase dramatically through our growing casework load.

One member told us: *"I don't eat and my health has declined. I've even turned the gas off to my own home at stopcock as I can't afford it. I sold my TV as I can't afford a TV license. I don't live, I exist."*

- 60% of respondents anticipated difficulty in meeting essential costs (e.g. housing, rent, food, childcare, utility bills) due to the cost-of-living crisis.
- 47% have already experienced difficulties in meeting essential costs during the period 2021-22.
- 33% have seen their level of personal debt increase in the last year.
- 41% feel negative about their prospects for work in the entertainment industry over the next 12 months (24% feel positive).

- 19% anticipate having to leave the entertainment industry due to the cost-of-living crisis (36% do not anticipate this, 46% are not sure).

The survey, conducted between May and June 2022, further found:

- 70% of members are currently or will shortly need to work more hours and days just to cope with essential living costs.
- 89% think the cost-of-living crisis will force those on low incomes and artists from working class backgrounds out of the industry.
- 72% think the cost-of-living crisis will put added pressure on young artists, new entrants and graduates.
- 65% think the cost-of-living crisis will make things worse for marginalised groups, including women, Black, and deaf and disabled artists.

Alongside these findings, analysis of UK Government data shows that Black people and young people have already left the profession in droves following the devastating impact of Covid-19. If the precarious nature of work has only worsened there is little chance of this talent drain being reversed. Comparing DCMS workforce estimates for January 2019 to December 2019 and October 2020 to September 2021, Equity found that:

- The number of young people (aged 16-24) working in music, performing and visual arts has fallen by 19% (compared with a 14% increase for people aged 55-64).
- The number of Black / African / Caribbean / Black British people working in music, performing and visual arts has fallen by 39% (compared with 9% fall of White people).

The 'Broadcasters facing diverse talent drain' report from Ofcom <https://www.ofcom.org.uk/news-centre/2021/broadcasters-facing-diverse-talent-drain> published in September 2022 also shows that female employees were more likely to leave TV and radio industries and the proportion of TV employees who are disabled projected to fall over the next five years.

## **How financially stable is the sector and how suitable are pay and working conditions?**

The creative industries as a sector is multi-faceted in its combination of both subsidised and commercial enterprises across all areas. Public subsidy, despite its proven economic benefit to the economy (£1 invested brings a return of between £2 and £7 depending on the area), has consistently fallen over recent years. The funding available through Arts Council Wales has effectively been standstill for many with companies having to provide more for less investment. The film and television sector has seen the impact of the large institutions like Netflix, Amazon and Apple TV bring huge investment into both production and studios, but the investment in public service broadcasting has not kept pace and the continued uncertainty over the Television License Fee, and by association the funding of both the BBC and S4C, has huge implications on the ability of both these broadcasters to compete with the large institutions.

The strength of our industry is built on the strong and equitable collectively bargained agreements reached between trade unions and engagers. The agreements that Equity have put in place across different sectors, such as film, TV, theatre, and dance, offer the best possible protection for the creative workforce by providing for the minimum terms and conditions for professional engagements. This industrial framework also provides a level of certainty for both the performers and the engagers and has created a landscape where individuals can flourish as workers. This has helped establish the UK as a centre of creativity and inward investment.

Equity also secure some ongoing payments for the exploitation of performers' work in the UK and globally through our industrial agreements. Our in-house Distribution Services, which has been operating for over five years, has paid out over £60 million in royalties and contractual secondary payments to tens of thousands of performers. All payments administered by the distributions team are derived from our collectively bargained agreements with broadcasters, film studios, TV production and theatrical recording companies.

The development of technology is already challenging the collective agreements we have in place. Production teams are using AI to reanimate the image, voice or likeness of deceased performers. Not only does this raise ethical questions, but also challenges for performers' unions across the globe as this innovation would not be covered in historic collective bargaining agreements. Producers and engagers across the Film and TV industry must work with Equity to negotiate new provisions covering performance synthetisation and ensure there is a system of consent and payment when historic performances are utilised by AI technologies, including after the event of a members' death.

There are some areas of the creative sector where there are limited collectively bargained industry agreements in place, such as audio books, games, corporate work, radio commercials, TV, internet and digital commercials, modelling, music videos and variety work. In these sectors where there is a lack of industry regulation, our members are often presented with take it or leave it contracts and asked to waive their moral rights and authorship entirely. The absence of an ability to set industry standard minimum terms and conditions means that salary levels are driven downwards, especially at times of global financial instability.

Equity are calling on employers, producers and engagers in the creative sector to urgently address the harmful impacts of the cost of living crisis and the pandemic by improving pay and conditions within the sector in order to protect the sustainability and diversity of the workforce. We can use the principle championed in Wales of Social Partnership where funders, including Creative Wales and Arts Council Wales, in collaboration with the employers and trades unions can help address the impact by entering into meaningful collective bargaining and helping to remove the concerning elements of in-work poverty we are seeing in some companies currently in receipt of public funding.

### **Bullying, harassment and inappropriate Behaviour**

A safe working environment where everyone is treated with dignity and respect, and bullying and harassment is not tolerated, is vital to safeguard the future of the creative industry. It is intrinsic to successful production that we move towards a culture in which everyone feels able to call out unacceptable behaviour and that nobody is above being challenged and no one is untouchable.

Equity is leading an important piece of work in this area. We recently organised a historic meeting of industry representatives involved in the working life cycle of actors in TV met to discuss how everyone can contribute to a respectful workplace and to agree how concerns should be raised if there is inappropriate behaviour. The group agreed to the following principles:

- Safe casting and audition spaces: professional recruitment standards to be adopted and auditions undertaken in appropriate workspaces.
- Policies: producers to have clear respect at work policies which include a process for making and addressing concerns and complaints of bullying and harassment.
- Accessible information: information shared with cast and crew about how concerns can be raised either if they are the victim of or see inappropriate behaviour (e.g. information on call sheets and displayed in communal areas, access to support and whistleblowing helplines, details of the safeguarding contact for each production).

- Anti-bullying and harassment training: to be completed by cast and crew before they start work.
- Safeguarding contact: a suitably trained, senior member of the production team who can be contacted and who can proactively make any necessary adjustments.
- Nudity and simulated sex acts: notification to be given in advance and in writing about the scope and extent of nudity and/or simulated sex requested, followed by discussion and agreement with the artist. For scenes of an intimate nature, an intimacy co-ordinator is to be engaged if acceptable to the actors involved.

Those signing up to the principles include AMC, Apple TV+, BBC, The Casting Directors Guild, Channel 4, Channel 5, The Co-operative Personal Management Association, Disney, Equity, HBO, Intimacy Directors & Coordinators, ITV Studios, Northern Ireland Screen, Pact, Paramount, Personal Managers Association, S4C, Screen Scotland, Sky, TAC, Warner Bros. Now that these principles are agreed, it is vital that they are actioned. We also want to see similar approach taken across the entire performing arts and entertainment industry.

Other positive action can be found else across the industry. For example, the BFI has created a model Dignity at Work policy; and the Film & TV Charity has produced the Whole Picture Toolkit for screen industry production companies to develop and adopt good practice in maintaining good mental health, including around bullying and harassment policy. We strongly encourage producers and engagers across the creative industry to utilise these best practice resources and guidelines.

In Wales the unions, through the Wales Union Learning Fund project CULT Cymru and additional funding from Creative Wales, are promoting a Wellbeing Facilitator pilot which is being rolled out across the independent television sector in both scripted and un-scripted productions. <https://cult.cymru/en/iechyd-meddwl-a-lles/>

A trade unions role is to set the minimum terms and conditions of employment through collectively bargained local or national agreements. In pre-pandemic years where work was perhaps more plentiful, and engagers were able to offer levels of pay over and above minimum rates workers within the sector were able to balance the precarious nature of the gig-economy and meet their basic needs. The amount of work on offer, and the ability of engagers to pay over minimum levels of pay, in most areas of the sector has exacerbated the precarity of work, and brought about the crisis of income. Simply attempting to negotiate increases in rates of pay, and improving conditions, will not necessarily fix the underlying issues which face the workforce within the sector. There could be huge benefits to the health and wealth of the workforce if the tripartite social partnership model was engrained in how the sector flourished and improved.

We continue to call on the Welsh Government to continue to use what levers it has through the Economic and Cultural contracts with those in receipt of public monies in Wales, in conjunction with Creative Wales and ACW, to require that they engage in meaningful and realistic conversations and negotiations to improve pay and conditions, where they can, in order to protect the sustainability and diversity of the workforce which is so critical to the supply chain within the creative sector.

### **How sustainable is the sector and how will this affect its future?**

It is also important that the future stability of the sector considers sustainability and the sectors important role in tackling the climate emergency. With an estimated 8 years' left to avert cataclysmic ecological breakdown, climate mitigation could not be more important to protect the future of the talent pipeline and society as a whole. This must be front and centre of plans to industry future planning.



Building on the work of the Theatre Green Book, and we are Albert, producers and engagers across the entire sector need to deliver sustainable productions, buildings and operations. For example, production teams should ensure that materials come from reused or recycled sources, journeys and deliveries are reduced, and technical systems are run sustainably. The industry must action in partnership with the workforce and their trade unions.

Producers and engagers must also make reasonable adjustments to ensure workplaces are safe during extreme weather events, which are becoming increasingly common. In the last heatwave, some theatres reached interior temperatures of 37 degrees, which is too hot to work. To keep temperatures down, producers should conduct a hot weather risk assessment and put in place mitigations to bring the temperature down when it reaches 24 degrees inside, such as costume changes to keep you cooler and additional breaks. At 27 degrees, producers should cut-off for strenuous work, such as performing a number in a musical in full costume and 30 degrees should be the absolute limit for all work. Despite the fact that the climate emergency has led to and will increasingly lead to a generally warmer climate, there is also the likelihood for periods of extremely cold temperatures. In order to prevent the unnecessary use of energy for heating or cooling or the eventuality of a workplace being unsafe for work, industry must prioritise insulation of all buildings and sets. The long-term savings on energy will easily absorb capital costs for insulation. This is especially important considering the variability of and spikes to energy costs recently.

Shorter working weeks are hugely beneficial in building sustainability and reducing emissions both from industry operations but also in the aggregate personal lives of workers who, when given more time off, tend to engage in lower-impact activities compared to those working long hours who are associated with higher consumption of environmentally intensive goods (even when correcting for income). There are great gains to be made in improving society as a whole because the evidence strongly suggests that giving people more time off results in significant improvements in quality of life, health outcomes, job satisfaction and happiness, and promotes greater gender equality.

Producers and engagers across the entertainment industry could help reduce emissions in respect of their finances by improving pension funds and investment portfolios. Research from *Make My Money Matter*, *SYSTEMIQ* and *Global Canopy* reveals that for the average pension holder, £2 in every £10 is linked to investment in companies and financial institutions with high deforestation risks. Further research from *Make My Money Matter*, *WWF* and *Aviva* suggests that switching to a sustainable pension is 21x more effective at reducing your carbon footprint than giving up flying, going veggie and switching energy provider combined.

Equity also believe that all publicly funded arts bodies should have robust sustainability criteria to all project grant applications. Art and culture institutions have an opportunity to lead by example and to utilise their public funding in support of a just transition in their workplaces. Criteria could include mandatory insulation in flagship theatres, ensuring a living wage for their front of house staff, installing heat pumps for a cleaner, greener energy supply and a pledge to recycle their sets and costumes.

## **How equal, diverse and inclusive is the sector? How can this be improved?**

To support the future talent pipeline, urgent action is needed from across the industry to improve the diversity of the workforce (including notably around social class). Our industry has an ongoing problem of elitism with deep-rooted structural issues that make it harder for people from low-income backgrounds and under-represented groups to build and sustain a career in the industry. There is currently a relative lack of, and variability of, strategic policy from the industry to deliver this, which has led to Equity devising a wealth of best practice guidance for industry stakeholders.

For example, guidelines were put together by the Equity LGBT+ Committee, in collaboration with All About Trans and Spotlight, to increase LGBT+ representation, and in particular the trans community, across our screens, stages and audio platforms. This document sets best practice for working with performers and creatives who identify as LGBT+. We strongly encourage industry stakeholders to apply these casting guidelines with a broad range of LGBT+ workers, including those with intersecting protected characteristics, to ensure workplace policies and practices reflect the diversity of lived experience across our community. The industry should also use Equity's casting guidelines to develop a casting policy that embeds authentic and lived experience as key criteria for the portrayal of LGBT+ characters, to address historical exclusion and marginalisation.

Equity has also drafted best practice guidelines in other core areas. This includes, for example, guidance on working with artists who are BSL users, on improving the engagement of dance companies with Deaf and disabled dancers and to increase the proportion of Black and minority ethnic actors in lead roles across mainstream TV broadcasting.

Future workforces are likely to have more caring commitments due to the aging population of the UK. The industry must adapt to support carers and the increase in caring responsibilities through improving work life balance and offering shorter working weeks. This will also give parents and carers more opportunity and longevity in the industry and give better opportunity for industry to have a workforce that is demographically representative of local/UK populations.

### **How sufficient are skills and training opportunities? Are there gaps, and how should they be filled?**

Action is urgently needed from the industry in relation to educational training and skills. The rapid growth of production across the UK film and TV sector in recent years alongside issues of workforce retention is putting significant strain on the industry. A recent report by Ofcom also found that broadcasters are facing a worrying loss of diverse talent. For the first time, more people are leaving the industry than joining, particularly women, while disabled people remain significantly underrepresented. This has led to a shortage of skilled crew, which is contributing to highly pressurised workplaces and negative working practices and cultures.

The recently published BFI Skills Review estimated that current growth in production for film and film and high-end television will require up to 20,770 additional full-time employees by 2025 needing an overall training investment of over £104 million a year. The BFI has called on the industry to invest at least 1% of all production budgets in training. The review includes other recommendations, such as more formalised approach to hiring, workplace management and professional development; and more comprehensive careers information, profiles and pathways. The industry must implement these recommendations in partnership with the workforce and their trade unions.

Education and training establishments also have a vital role to play here in providing formal vocational education, which centres on models of good practice in employment relations. Feedback from our members indicated that education providers across the performing arts rarely provide by sufficient support to prepare their students for the world of work, including expectations of good health, safety and welfare systems. This has implications for our members' mental health with young workers preparing to enter the industry not sufficiently encouraged to reject any form of abusive or discriminatory behaviour.

In the UK there is no single, overarching body informing the curriculum for work and employment across vocational training and education institutions covering the creative and cultural industries. This is arguably challenging. However, as highlighted by the BFI Skills Review, education organisations must engage with the industry to inform tailored approaches to

training and career development, set standards and frameworks around current good practice, and help disseminate information about careers.

It is important to note here the recent Welsh Government launch of the Creative Skills Action Plan and Creative Skills Fund, and also the union's involvement in the Creative Skills Advisory Panel which was put in place. On a matter of transparency Equity, representing the other creative unions in Wales, are the current chair of the panel. This Action Plan is critical, but in noting its importance we must also raise its limitations in that it only covers the areas of the sector under the remit of Creative Wales. There needs to be urgent consideration to investigation, appropriate funding and implementation being applied to a similar provision for those areas of the sector under the remit of Arts Council Wales. A place also has to be found in the cultural strategy for Radio which is covered by neither public bodies.

### **What has been the impact of support from public bodies such as the Welsh Government and is further support needed?**

The difference in approach on support taken by the devolved nations during the pandemic cannot be underestimated. Whilst there are lessons to learn from the delivery of the Freelancers Fund through the Cultural Recovery Fund, it cannot be underestimated as to the difference the approach made to our members in Wales. For those who fell through the gaps in SEISS for whatever reason, to those who were in receipt of SEISS but unable to meet their basic needs, this use of support was invaluable. There were limitations on the amount of money available at a time of great financial pressure, but the Welsh Government stepped up and did what it could.

At present Equity is demanding that the UK Government does more to shield its members and the creative workforce from the debilitating impacts of the cost-of-living crisis. It supports the TUC call for the National Minimum Wage to be increased to £15 an hour and has long argued for a Basic Income Guarantee similar to that being trialled in Ireland. <https://www.gov.ie/en/press-release/27aed-irelands-basic-income-for-the-arts-pilot-scheme-launched-by-government/#> We have been encouraged by the Welsh Government's interest in this method and the ongoing trial in the care sector as an important step forward and useful to the ongoing discussions around this kind of scheme. We support the comments and case made by the Future Generations Commissioner at the start of the pandemic for a Basic Income Pilot for creatives in particular and would be interested in further engagement and discussion about what further expansion could be done. <https://www.futuregenerations.wales/news/future-generations-commissioner-calls-for-a-universal-basic-income-pilot-for-creatives/>

Equity and other trade unions are also calling on the UK Government to remove the minimum income floor from Universal Credit. Our members tell us that this significantly disadvantages the fluctuating nature of their income, and the precarious nature of their employment. In September 2022 the TUC published a policy proposal around a replacement for Universal Credit which seeks to address the failure of the system introduced in 2013 which was designed to reduce the number of people in work who were living in poverty. <https://www.tuc.org.uk/research-analysis/reports/replacement-universal-credit>. We have recently written to the new Secretary of State for Work and Pensions Chloe Smith MP urging her to use her new position to reform Universal credit but the so called 'mini-budget' on the 23<sup>rd</sup> September 2022 demonstrated a UK Government in crisis and further restrictions on claimants rather than improvements. <https://www.equity.org.uk/media/6416/equity-letter-to-rt-hon-chloe-smith-mp-20092022.pdf>

Equity would be more than willing to give further oral evidence to expand on any of the above should the opportunity arise during the course of your inquiry.

Simon Curtis  
National Official for Wales

30<sup>th</sup> September 2022

# Agenda Item 3

Senedd Cymru | Welsh Parliament

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon, a Chysylltiadau Rhyngwladol | Culture, Communications, Welsh Language, Sport, and International Relations Committee

Gweithlu'r diwydiant creadigol yng Nghymru / Creative industry workforce in Wales

Ymateb gan Ffilm Cymru / Response from Ffilm Cymru

## **Response to Senedd Cymru/Welsh Parliament inquiry into the challenges facing the creative industry workforce in Wales**

**Introduction:** Ffilm Cymru Wales is a sector development body for film in Wales. The company is a lottery delegate of the Arts Council of Wales and BFI, as well as managing independent film production funding for Welsh Government's Creative Wales. Work spans across the social, cultural, economic and educational value of film, delivering support for filmmakers, exhibitors, education practitioners and directly delivering inclusive sector training.

We have focused our response to the committee's inquiry specifically on the film sub-sector and its component parts relevant to Wales – particularly production companies, freelance cast and crew, facility and service companies and exhibitors (comprising cinemas, multi-arts venues that provide screenings and film festivals). It is notable that these various component parts also frequently cross-pollinate other sub-sectors such as television production, with personnel, facilities and venues often working across the sector.

Please see [www.filmcymruwales.com](http://www.filmcymruwales.com) for more information.

- **What is the current health of the sector's workforce, including the impacts of the pandemic, Brexit and cost of living crisis? Have workers left the sector, and what impact has this had?**

The first nine-twelve months of the pandemic were particularly challenging for the film sector – with film production effectively closed whilst safety measures were developed alongside proposals to Treasury that resulted in the £500m Film and TV Restart Scheme, which effectively addressed defective insurance, allowing the financing of films to resume. At the consumer end of the business, cinemas and arts-centres were required to close, and later to implement measures such as covid-passes. During this time, the availability of Cultural Recovery Funds – distributed in Wales via the Arts Council of Wales and Welsh Government's Creative Wales – were absolutely vital in providing income to venues, businesses and (to Wales' credit) to freelancers, on whom this sector depends.

On a smaller scale, Ffilm Cymru additionally provided Emergency Relief Funds to writers, directors and producers, and redirected funds to development based activities, helping to prepare projects for when production could resume. We also actively helped to shape sector specific safety and fiscal proposals, as part of a UK-wide working group convened by the BFI, whilst contributing sector information as Creative Wales shaped its support for cinemas, festivals and freelancers.

Since the sector re-opened we have seen production activity resume and exceed pre-pandemic levels (<https://www.bectufreelance.org.uk/2021/12/15/bfi-screen-business-report-details-the-scale-of-the-uk-production-boom/>), fuelled by the increase demand from streamers, whose subscription base significantly increased during the pandemic, coupled with a concentration of productions that had been delayed. Both Screen Skills and the BFI Skills Reports demonstrate this sector growth, evidencing an estimated need for between 15,130 and 20,770 additional full-time workers in film and high-end TV across the UK by 2025, which will require up to £104million of annual investment in training for the new and existing workforce by 2025. The BFI highlighted that that level of investment would necessitate commercial entities, including the streamers and studios to coinvest in this skills and training work:

<https://www.bfi.org.uk/industry-data-insights/reports/bfi-skills-review-2022>

<https://www.screenskills.com/media/5559/2022-06-23-labour-market-shortages-and-training-investment-needs-research.pdf>

Film and TV have a tendency to provide relatively highly-paid jobs, which coupled by the high-rates of production might be taken to indicate a healthy sector. However, this is arguably off-set the undue pressure and threat of burn-out that professionals face when working long-hours, across back-to-back projects without the breaks that were previously typical across production. This places workers under significant pressure, putting mental health at risk, whilst also increasing the probability of workers considering alternative work.

The need to increase sector-capacity, which in turn can support better well-being practices such as offering job shares and flexible working hours, is further evidenced in the Film & TV Charities Through the Looking Glass Report ([https://filmtvcharity.org.uk/wp-content/uploads/2022/06/LookingGlassReport\\_2021\\_Final.pdf](https://filmtvcharity.org.uk/wp-content/uploads/2022/06/LookingGlassReport_2021_Final.pdf)), where a large-scale survey of creative industry workers across the UK showed poor mental health and increased evidence of suicidal thoughts as compared to the general population. Improvements to working conditions – hours, breaks, flexible working – would also likely be more attractive to a greater diversity of new entrants to the sector.

In Wales, the Clwstwr supported Screen Survey Wales 2021, which had a focus on the Cardiff Capital Region, followed by a pan-Wales survey funded by Creative Wales, was most welcome and should be encouraged as a regular addition to available data, in order to track trends and to better understand the impact of interventions:

[https://www.academia.edu/78129712/Screen\\_Survey\\_Wales\\_2021](https://www.academia.edu/78129712/Screen_Survey_Wales_2021)

Whilst production has been booming, this does not mean that it's immune to the cost of living crisis, which is likely to see less productions produced with public money in the future, as individual projects require more funding to meet inflationary costs of energy, transport, salaries and materials. And, on an individual level, people who are starting out in their careers and have yet to establish themselves, may find cost of living an increasing deterrent to their taking on work that is project-by-project by its nature. Consequently, in our development work, we are seeing and supporting increased per project costs to support writers, directors, producers and associated talent that are earlier on in their careers.

Similarly, for the past 3-years we have used funding support from Ymddiried/Welsh Broadcasting Trust in order to provide bursaries to new entrant and trainee crew that are living in financial hardship – with the aim of diversifying the socio-economic status of people working in the creative sector as capacity is built. This work will be at threat if further funds are not sourced. To that end, we have developed skills and training bids that include measures to offset financial hardship for the BFI, Creative Wales and the Shared Prosperity Fund.

We welcome the work of NESTA's Policy and Evidence Centre (PEC), as commissioned by DCMS and working in partnership across the devolved nations, into what constitutes 'Good Work' in the creative industries (see <https://pec.ac.uk/news/good-work>). This is expected to be published in November. Emerging themes echo the reports referenced here, but also moves towards practical recommendations. For example, any funder can aim to use their financial and contractual position to encourage change. For Ffilm Cymru this takes the form of requiring 'Sustainability Plans' from productions we support that identify the measures that are right for them to advance progress across: environmental, diversity and inclusion, and business innovation. In turn, we are committed to capturing and sharing the good practice that emerges, and developing resources that can support further change. In doing this work within this sector however, it is vital to acknowledge that, in the main, these are small and micro-companies that are producing content, rapidly scaling up and scaling back their freelance crew, and we need to be realistic about what can be achieved without further investment and resource support.

There's a lot of positive work progressing with these challenges in mind, including for example, Cult Cymru's and the BFI's piloting of Wellbeing Facilitators, supported by Creative Wales; the requirement to adopt and widely share Bullying and Harassment codes of practice, with white labels made available; and bespoke training programmes, such as Ffilm Cymru's Foot in the Door training programme ( <https://ffilmcymruwales.com/funding-and-training/foot-door>) that specifically works with Housing Associations, Further Education and grassroots organisations within communities, alongside providing support for transport, childcare and other potentially cost prohibitive measures, to enable people into the sector that wouldn't otherwise consider it for them. That work has to be done alongside provision of pastoral support and with on-going commitment to cultural change across the sector, from hiring practices to progression opportunities and the strengthening of union agreements (such as the Pact/BECTU agreement that is currently under negotiation). This is perhaps a particular point to note in the context of Brexit, where there is potential for working directives to be watered down if we do not collectively work to avoid that.

- **How financially stable is the sector and how suitable are pay and working conditions?**

As reflected in the Arts Council of Wales' (ACW) evidence to this committee for its Cost of Living inquiry, we are similarly seeing significant financial challenge faced by exhibition venues – those being cinemas and multi-arts venues, including those who screen films. ACW noted that more than 50% were indicating significant financial pressures – and that would be consistent with the feedback we receive from venues that we co-fund across Wales where they are facing the combined challenge of ticket sales that have not fully

recovered post covid, with the rising costs of living, which both increase operational running costs and further the downward pressure on ticket sales.

Two recent developments illustrate this point with the World's second largest cinema-chain, CineWorld, going into administration<sup>1</sup>; and Scotland's Centre for Moving Image<sup>2</sup> went into administrating, with the knock-on impact of Edinburgh International Film Festival, Edinburgh's FilmHouse and Aberdeen's Belmon cinema all ceasing trading with immediate effect, including the loss of 102 jobs. Overall, 'Business Insolvency' publication notes that box-office takings are down 32% from last year, compared to around a third in 2019.

There is a real and present danger that these latest developments represent the canary in the coalmine for exhibition. After the support exhibitors received from the Cultural Recovery Funds, we would argue there is need for further emergency funds for exhibitors, noting that if they collapse they'll take the route to market for independent films with them. These venues showed tremendous agility in the face of covid, adapting how they worked – sometimes going on-line, albeit swapping pounds for digital dimes; and where they could, continuing to provide valued offers to their communities, such as offering food services. Vitality, these cinemas provide cultural enrichment on the high-street and within communities - providing a breadth of storytelling that helps us as a society to better understand ourselves.

From a production point of view, in addition to comments above where in particular we'd like to see strengthening of union agreements to improve working hours and flexibility of working conditions, we'd note the BFI's recently commissioned independent Economic Review of UK Independent film:

<https://www.bfi.org.uk/industry-data-insights/reports/economic-review-uk-independent-film>

In particular, this report illustrates the “considerable threat.... That this culturally important part of the sector” is facing when taking into consideration stagnating revenue with digital media not fully replacing falling revenue from sources such as cinema; significant inflation of costs and increased uncertainty in the sector as it emerges from the pandemic, creating an environment that is in turn less attractive to investors.

In this context, Alma Economics draws attention in its recommendations to the importance of public funding incubating talent that offers a diversity of voice; and supporting adaptation of business models across the sector. There is also a call for greater demands to be made of the streamers – which might range from increased local sector support, to direct investment in training (a point also made in the BFI's Skills Review, as above).

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<sup>1</sup> <https://business-insolvency-helpline.co.uk/cineworld-bankruptcy/> Cineworld has 30,000 employees and 9,500 screens across 7 countries, including Picturehouse in the UK, which recently released Ffilm Cymru, BFI and S4C co-financed feature, Gwledd/The Feast

<sup>2</sup> <https://www.screendaily.com/news/edinburgh-international-film-festival-to-cess-trading-as-parent-charity-enters-administration/5175146.article>



· **How equal, diverse and inclusive is the sector? How can this be improved?**

According to NESTA's Policy and Evidence Centre<sup>3</sup>, the UK's Creative Industries would need to employ 250,000 more working-class people to be as socially economically diverse as the rest of the economy. This deficit is the equivalent to the size of the creative workforce in Scotland, Wales and Northern Ireland combined.

This is a reflection of structural and cultural challenges for a sector that is largely comprised of micro and small enterprises and freelancers, who tend to recruit through known networks, at pace and without consideration of socio-economic barriers – such as access to transport, childcare, and work-related costs.

Inclusion and wellbeing is actively embedded in all of Ffilm Cymru Wales' activity and we have long-led on the benefits of this approach.

Ffilm Cymru Wales 'Film For Everyone' plan (<https://ffilmcymruwales.com/film-everyone>, which includes targets reflective of our society, is an example of how it is feasible to embed inclusive practice in terms of using levers for best practice, combined with partnership with grassroots organisations within communities.. For example, production funding can be coupled with contractual terms that encourage those we work with to make change and we are actively looking as to how we can do that throughout the screen eco system. This begins with influencing policy around sustainability and runs right through to our work on our award winning training programme 'Foot in the Door' working with communities across Wales.

One of the most significant challenges of the screen sector in terms of achieving better diversity and inclusion, is the manner in which work is organised and structured. Work across screen is largely project based, short term and high risk( Eikhof, 2018). The associated risks that accompany short term, precarious work structures are often filtered through the chain of productions. In practice, this means that staff on short term contracts with limited autonomy and a 'task and finish' role to undertake against the clock, does not in any way lend itself to these structures embedding 'diversity and inclusion in practice'.

There has been some progress over the last five years that seeks to address the limitations of the way that productions are structured from a support and wellbeing perspective, that build temporary human resource support systems around short-term productions including:

- Film & TV Charity mental health helpline

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<sup>3</sup> Social Mobility in the Creative Economy. Rebuilding and Levelling Up? <https://pec.ac.uk/research-reports/social-mobility-in-the-creative-economy-rebuilding-and-levelling-up> 9th September 2021

- BFI Bullying and Harassment policies
- Wellbeing Facilitators
- Access co-ordinators
- Intimacy co-ordinators
- BFI Diversity Standards
- Call it App!

What is now required is for the screen sector in Wales to work with funders and industry bodies to understand and develop sustainable embedded solutions to how productions practically address and embed wellbeing and inclusion within a high-risk environment. This change and any subsequent activity must be led by industry to affect change.

- **How sufficient are skills and training opportunities? Are there gaps, and how should they be filled?**

There are structural and cultural challenges – such as how the sector recruits, trains and advances its workforce. Skills and training for screen in Wales can be perceived as a crowded marketplace. In an environment where sourcing below the line crew is a challenge with issues of supply and demand. Feedback from production anecdotally is that this is confusing when skills and training organisations have competing priorities. Ffilm Cymru Wales are now developing systems through their Production funding to simplify this with and for productions we work with, including:

- Transparently mapping what each Sector skills and training organisation does and offers across Skills and training in Wales
- What 'level' each intervention is at and what they will gain from engagement
- How engaging with organisations will support productions needs

There is an urgent need to simplify this for productions and individuals looking to work in the sector; Ffilm Cymru Wales are developing a first of its kind 'signposting' in terms of the screen sector toolkit for Wales, that will be published November 2022. It has the aim of explaining and de-mystifying the sector for new-entrants and supports understanding of what each organisation does and offers. There will also be 'place-based' versions of this that will ensure that localised and regionalised offers are considered across Wales.

Research from both Wales and UK wide has identified that succession planning and mid-senior level talent development and training needs to be developed to offer sector sustainability and we will be looking to develop training at this level that meets production needs.

Across all of this work, increased collaboration would be beneficial and welcome. Many of the screen industry skills and training bodies are themselves micro or small companies that work from project-to-project, as noted in the McAvoy, Skills Survey. By joining together for collaborative and joined up bids that are clearly signposted there are opportunities to simplify and increase the efficacy of training, for the benefit of all. This is the approach that Ffilm Cymru took in its successful bid to UK Government's Community Renewal Fund through Newport Council, working in partnership with Sgil Cymru, Screen Alliance Wales, Cult Cymru, Coleg Gwent, housing associations and grassroots community organisations. There's potential to

take a similar model with greater scale with the Shared Prosperity and up to 9-years of skills cluster lottery funding, as distributed by the BFI.

- **What has been the impact of support from public bodies such as the Welsh Government, and is further support needed?**

Please refer to Ffilm Cymru's previous evidence submitted to the committee's inquiry into the impact of Covid and support provided, where amongst other items, we noted the vital importance of Welsh Government's provision of Cultural Recovery Funding, including for freelancers and venues.

As above, financial support is now needed to further the following:

- Emergency relief for exhibition venues (cinemas and multi-arts) during the Cost of Living crisis and to support adaptive business practice;
- The combined use of contractual levers (Cultural/Economic Contract) and funding to enable support and provision of resources to support changes in working practice – in line with emerging Policy and Evidence findings and as further reviewed and adopted within Wales;
- Scaled-up and joined up skills and training provision that puts diversity and inclusion at it's heart. This should take into consideration the value of transferable skills to support resilience and the importance of leadership skills – for advancing progressive businesses that keep pace with the market, to recognising and embedding behavioural change that substantially improves wellbeing in the workplace.
-

Mark Drakeford MS  
First Minister

16 November 2022

Dear First Minister

## Scrutiny of the financial implications of Bills

I am writing to you given your overarching responsibility for the Welsh Government's Legislative Programme.

The Finance Committee is deeply concerned that the Welsh Government has moved away from the practice in the Fifth Senedd of providing a written response to Committee Stage 1 reports before the Stage 1 debate takes place and before the Senedd is required to agree a Financial Resolution.

The Finance Committee's role is to consider the financial implications of Bills and our reports often conclude that we are content with the financial information contained alongside Government Bills subject to a commitment from the Minister to provide further financial information that we have requested. As the motion to agree a Financial Resolution usually takes place straight after the Stage 1 motion has been agreed, the Welsh Government's refusal to provide a formal response to our recommendations means that the Senedd is being asked to agree to committing resources before the Minister's views are known. We consider this to be unacceptable and it undermines the scrutiny process.

The Committee has considered the financial implications of all Bills that have been introduced this Senedd, excluding the consolidation Bill which is subject to different procedures. In our scrutiny of the first Bill introduced, the *Tertiary Education and Research (Wales) Bill*, we set out our expectation for this Senedd that RIAs should contain the best estimate possible for costs and benefits to enable us to fully scrutinise the overall financial implications of a Bill. This built on issues outlined in the Fifth Senedd Finance Committee's Legacy Report which sets out further expectations in terms of the presentation of financial information that all Bills should adhere to.



We have recently received the Welsh Government's response to our recommendations on the *Environmental Protection (Single-use Plastics Products) (Wales) Bill*. The Committee was disappointed that in many cases the Minister has "agreed in principle" to provide further financial information requested. However, the preamble suggests that the Minister's officials are assessing the feasibility of updating the original cost and, if they are able to, "any work will take at least six months to complete". Even if the costs will be updated, the Bill is likely to have completed its legislative passage through the Senedd by the time the information is available.

This is simply not good enough. It is unhelpful to receive this information after the Senedd has already agreed to the Financial Resolution. It also undermines the Committee's efforts which, in turn, greatly increases the risk of the Senedd passing bad laws with uncertain financial outcomes that could place significant pressures on already stretched budgets.

We therefore request that Ministers revert to previous practice and provide a written response to the Finance Committee's recommendations prior to the Stage 1 debate and the consideration of a Financial Resolution as a matter of principle. This will ensure the Senedd is able to make an informed decision in relation to committing resources.

I would be grateful if you would circulate this letter to your cabinet colleagues. I am also sending a copy to the Business Committee and Chairs of Policy Committees.

Yours sincerely



Peredur Owen Griffiths MS  
Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.



We welcome correspondence in Welsh or English.



# Agenda Item 4.2

**Pwyllgor yr Economi,  
Masnach a Materion Gwledig**

**Economy, Trade and  
Rural Affairs Committee**

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Mark Drakeford MS  
First Minister

21 November 2022

Dear Mark,

I am writing following the Legislation, Justice and Constitution Committee's Report on [International Agreements Considered on 26th September 2022](#). The report discussed, amongst other international agreements, [the Second Additional Protocol to the Council of Europe Convention on Cybercrime](#) and highlights your role in relation to "national security, including counterterrorism and cyber security".

Cyber security is a fast developing area with a lot of opportunity. I am looking forward to following the development of the new [South Wales Cyber Security Hub](#). A strong cyber security sector will bring high quality jobs and support a host of innovative businesses.

As well as being a burgeoning, emerging industry in its own right, cyber security is of course also absolutely vital for securing our businesses and public sector bodies against potential harm. As such it is vital that we ensure Wales has a well-skilled cyber security workforce.

Following on from the LJC report I would be keen to hear your views on the Second Additional Protocol to the Council of Europe Convention on Cybercrime.

I would also like some more detail on the way the Welsh Government is supporting and promoting cyber security and the wider industry. Please can you let me know:

- In addition to the financial support for the hub, what work has the Welsh Government undertaken to upskill our workforce around real risk, governance and policy cyber security skills?



- Does Welsh Government have any plans to help boost the employability of people in the cyber security industry post qualification?
- Currently the cyber security sector is male dominated, is or will the Welsh Government be taking any action to encourage more women into the sector?

I also note that the UK Government has ordered Nexperia BV to sell 86% of its share in Nexperia Newport Limited, the Semi-Conductor manufacturer in Newport formerly known as Wafer Fab. The order cited two reasons for the forced sale:

- Technology and know-how that could result from a potential reintroduction of compound semiconductor activities at the Newport site, and the potential for those activities to undermine UK capabilities; and
- The location of the site could facilitate access to technological expertise and know-how in the South Wales Cluster ("the Cluster"), and the links between the site and the Cluster may prevent the Cluster being engaged in future projects relevant to national security.

I note from the news coverage the Welsh Government said the UK Government's announcement had brought "welcome clarity" and it's priority is to "safeguard jobs." As you will now have had time to consider the facts of the matter please could you set out any implications as you see them of this sale and any actions the Welsh Government will be taking as a result?

I have copied this letter to Huw Irranca-Davies MS, Chair of the Legislation, Justice and Constitution Committee and Delyth Jewell MS, Chair of the Culture, Communications, Welsh Language, Sport, and International Relations Committee.

Kind regards,



Paul Davies MS

Chair: Economy, Trade and Rural Affairs Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.



# Agenda Item 4.3

Y Pwyllgor Plant, Pobl Ifanc  
a Chymraeg

## Children, Young People and Education Committee

Chair of the Climate Change, Environment, and Infrastructure  
Committee  
Llyr Gruffydd MS

Chair of the Culture, Communications, Welsh Language, Sport, and  
International Relations Committee  
Delyth Jewell MS

Chair of the Economy, Trade, and Rural Affairs Committee  
Paul Davies MS

Chair of the Equality and Social Justice Committee  
Jenny Rathbone MS

Chair of the Finance Committee  
Peredur Owen Griffiths MS

Chair of the Health and Social Care Committee  
Russell George MS

Chair of the Local Government and Housing Committee  
John Griffiths MS

23 November 2022

### The Welsh Government's Draft Budget 2023-24

Dear colleagues,

The Children, Young People and Education Committee recently considered how to approach its scrutiny of the Welsh Government's 2023-24 Draft Budget.

We have committed in our [Sixth Senedd strategy](#) to seek out opportunities to work with other Senedd committees where there are areas of shared interest and where it will improve scrutiny. We therefore asked officials supporting the Children, Young People and Education Committee to share any relevant written evidence we receive and briefing information with other Senedd committees to support holistic, joined-up scrutiny of the Draft Budget across the Senedd.

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We have also asked officials to be mindful of where we may be coming to similar views to another committee about matters that straddle committees' remits, with a view to proposing joint recommendations if appropriate. During scrutiny of the 2022-23 Draft Budget, we and the Economy, Trade and Rural Affairs Committee made a joint recommendation relating to transparency of one particular funding stream - an important matter of principle for both committees. I believe the joint recommendation added weight to our shared views.

I would be very grateful for your reciprocal support on the above issues.

We also agreed that our scrutiny of the Draft Budget will include consideration of the following cross-cutting issues:

- the Welsh Government's so-called 'revised baseline': how clearly and accurately it presents changes in expenditure from one year to the next.
- how the Draft Budget impacts different groups of people and how well these impacts are taken into account in the Welsh Government's Strategic Integrated Impact Assessment (SIIA). The Welsh Government has assured us that the SIIA sets out the contextual evidence that supports its spending decisions. However, we do not believe that the SIIA published alongside the 2022-23 Draft Budget clearly demonstrated its compliance with its duties under the Rights of the Child and Young Persons (Wales) Measure 2011. We believe that a Child Rights Impact Assessment (CRIA) should be undertaken for the Draft Budget as a whole and published as a standalone document.

These issues, or closely related issues, may be relevant to your Committee's consideration of the 2023-24 Draft Budget. If so, I would welcome any opportunities for coordinated scrutiny. I have asked officials supporting the Children, Young People and Education Committee to pursue any such opportunities, depending on your views and those of your fellow committee members.

Yours sincerely,



Jayne Bryant MS  
Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Apologies for the delay in responding to the questions.

We were very pleased to submit comments to the committee on very important issues relating to the future of Welsh education, and look forward to the report in due course.

Regarding the specific questions that you have asked:

- Part of the process of developing provision in the English medium sector is to move schools along the language continuum (i.e. from English medium to bilingual, or from bilingual to Welsh medium). What evidence is there to show that local authorities have addressed this sufficiently in their Strategic Plans, and if not, what needs to change?

There is very little evidence as far as we can see in general. At least one authority has started the process specifically with primary schools (Carmarthenshire) but that is in specific linguistic contexts where a significant percentage of the parents (and the wider community) speak Welsh. Our position as a college is that it is necessary to consider the language skills of the workforce in English medium schools very specifically and to give every support to teachers in the English medium sector to develop their skills in Welsh. This is also true for those training to teach in English medium schools. Moving a school along the language continuum is much more practical if the staff are confident in both languages to begin with.

- A number of organisations have referred to the need to build the capacity of Welsh-medium Additional Learning Needs specialists, with the Children's Commissioner noting that lack of access to Welsh medium support is a systemic issue throughout Wales. Could you elaborate a little on the specific challenges in terms of increasing the number of Welsh medium staff with appropriate subject specialisms, including Additional Learning Needs.

There is a general challenge in terms of securing enough teaching staff that can speak Welsh, and that challenge is highlighted when dealing with specific specialties, e.g. ALN specialists or science teachers. Our opinion as a college is that there is a need to significantly expand the number of teachers that are trained through the medium of Welsh, and to develop additional specific initiatives to support the growth of the profession in areas where numbers are particularly limited.

On a wider issue, the process of re-accrediting Teacher Training Centres is about to start, and I would suggest that this is a very good opportunity to set a more robust framework in terms of Welsh medium training; and training for those that currently wish to work in the English medium sector where there is an urgent need to support and significantly improve their language skills.

Regards

Dafydd

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Dr Dafydd Trystan

Registrar

Coleg Cymraeg Cenedlaethol

24<sup>th</sup> November 2022

Annwyl / Dear Delyth

I hope this letter finds you well.

I'm writing to you regarding the recent news about St David's Hall in Cardiff and a possible take over by a commercial organisation.

St David's Hall is a long-standing member of Creu Cymru and a member of hynt, the national access scheme for theatres and arts centres in Wales and therefore I'm writing to you to express my concerns about the potential future operations.

Cardiff Council have announced in the press this week that they are taking to Cabinet in December a proposal to hand St David's Hall, The National Concert Hall of Wales over to Live Nation / AMG to become the newest Academy O2 venue.

St David's Hall were a vital venue in the creation and launch of hynt in 2015, with the Wales wide scheme based on the approach and learning at St David's Hall, the New Theatre and Wales Millennium Centre. Hynt is an Arts Council of Wales initiative managed by Creu Cymru in partnership with Diverse Cymru.

Hynt's strength is in offering an equitable offer across Wales. Using the social model of disability, and an application process designed through peer led consultation, hynt removes barriers and takes decision making away from box office and customer facing staff.

The relationship with St David's Hall, as a founding venue member of hynt, is very important to hynt. The staff in all departments have engaged well with the scheme and we have a positive relationship with management and box office, which enables us to share learning and support the venue and its visitors.

Hynt users could be faced with the possibility of not being able to use their hynt card or again prove their disability status once it is in new ownership.

St David's Hall plays a pivotal role as the National Concert Hall for Wales presenting world class orchestras, ballets, opera and choruses, not to mention the amount of young people and community members that benefit from performing on the stage themselves. Community and amateur organisations will have no way of showcasing their work on a large scale because they simply won't be able to afford the hire fees and on costs. If community groups can use the Hall, audience members for this work could be faced with large booking fees and unreasonable prices for secondary spend items.

Although the change to an Academy venue will require the confirmed removal of all stalls seating and a flattening of the floor to increase the capacity in the auditorium to 2500, Cardiff Council state there will still be some provision for Classical Music and community participation and that this significant change will in no way endanger the acoustics of one of the top ten acoustic concert halls in the world, which attracts attenders from every postcode in Wales and the most attenders from S W England of any Cardiff venue.

The Council have not given any indication of how the future provision of classical music will be secured in Cardiff nor identified a budget for this. This is highly regrettable given St David's Hall is the only venue in Wales suitable for performances by a full symphony orchestra.

There is also the brilliant work of Arts Active to consider. This is unlikely to be a priority for a commercial operator, but I would hope that the Council explore other ways to continue that vital educational and community work.

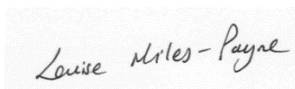
I understand that Cardiff Council are having to make difficult decisions about what they can and can't fund but they are in danger of giving away the profitable side of St David's Hall to a commercial operator which still paying for time for the community / classical programme.

The impact of audiences, communities, and staff need to be part of any decision making. Protecting jobs, skills, opportunities, education, and access must not come at the expense of a cost cutting exercise.

Of significant concern is the speed at which this momentous decision regarding Cardiff's and indeed Wales' cultural offer, with minimal consultation and without robust investigation into alternative opportunities of securing funding for a suitable future of the National Concert Hall of Wales.

I believe that the Culture, Communications, Welsh Language, Sport and International Relations Committee should be looking at the speed at which this momentous decision regarding Cardiff's and indeed Wales' cultural offer, with minimal consultation and without robust investigation into alternative opportunities of securing funding for a suitable future of the National Concert Hall of Wales.

Diolch am eich amser.  
Yn gywir / Yours sincerely,



Louise Myles-Payne  
Cyfarwyddwr, Creu Cymru  
Director, Creu Cymru

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# Agenda Item 8

By virtue of paragraph(s) ix of Standing Order 17.42

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# Agenda Item 9

By virtue of paragraph(s) ix of Standing Order 17.42

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