

Response to the Culture, Communications, Welsh Language, Sport, and International Relations Committee's inquiry into the challenges facing the creative industry workforce in Wales.

We welcome this opportunity to draw the Committee's attention to the key issues facing the publishing sector and its workforce.

What is the current state of 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?

Books in the UK are amongst the cheapest in Europe and have not substantially increased in price in the last 20 years; this means that large sales are essential to recoup investments, leading to a concentration of large multinational publishers dominating the market in which small publishers from Wales operate. Germany and France operate Net Book Agreements to protect the viability of their own markets which are naturally limited by language, unlike English-language publishing.

In Wales, the publishing sector is largely made up of micro-enterprises with relatively few full-time employment opportunities. Most people working in the sector have so-called portfolio careers and supplement their income through other means, often by teaching or freelance work. This reality is even more acute for authors who rarely earn a living from writing books. Writing in its broadest sense underpins many creative endeavours, and it is often publishers that develop new talent or IP which then goes on to be used by other creative sectors. However, the contribution made by publishers tends to be, at best, underappreciated, if not ignored, and income opportunities beyond book sales remain limited. The biggest threat to the publishing sector is the lack of opportunity for new talent, especially in creative editing, proof reading and production roles, with most of the current workforce set to retire within the next 10 years. The situation is especially precarious for the Welsh-language.

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

The Welsh Government has recognised the ongoing need for grant support for publishing with a Welsh dimension, in either Welsh or English. The current system operates based on part funding for either content or posts, with the remainder coming from commercial income of publishers. This income is coming under increasing pressure as books and magazines are considered 'discretionary spending', and with households struggling to pay bills a decrease of consumer spending is likely to have a negative impact on publishers. This will affect both their ability to maintain their businesses and continue employing staff. The often flexible and creative nature of publishing is attractive but, with pay below average, it is not always a viable career option, especially for those from lower economic backgrounds. Grants have been a standstill for almost 20 years, with publishers absorbing the decrease in support year on year, and with ever-decreasing profit margins there has been a downward pressure on salaries in the sector.

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

Like most of the Creative Industries in Wales, especially those with a focus on Welsh-language outputs, the publishing sector in Wales is some way off from achieving fair representation, and organic development will not deliver positive lasting change within the next 5 years. The Books Council of Wales has, therefore, successfully proposed a dedicated new fund to reach new and diverse audiences. With a modest investment, a number of new initiatives are currently supported, including two publishers led by people of colour, a writing project for refugees, workshops with BAME Mental Health, a YouTube channel promoting poetry, and two magazine pilots focussing on disability and the climate emergency. To build on these excellent achievements we would like to see further dedicated investment over the next 5 years for targeted interventions such as these.

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

The Books Council of Wales has a very modest budget to provide annual training opportunities for publishers and would like this to be increased as a priority, with a particular focus on paid internships and apprenticeships to attract people from underrepresented communities to consider careers in our sector. Attractive job opportunities will also help the sector to retain top talent, especially with regards to writing, editing and illustration, but also marketing. Training in the rapidly changing area of digital skills, especially those in creating digital content and marketing, is a key priority. The new Welsh Government focus of educational resources to support the New Curriculum should provide new opportunities to add resilience to the sector; with a clear commitment from the Welsh Government to invest in indigenous capacity, outsourcing of the most profitable aspects to England-based publishers can be avoided. This will ensure that Welsh Government investment benefits local companies and will ensure that resources are made in Wales, for Wales.

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

The support from the Welsh Government is vital to continue to address the market realities of Wales-based publishers. The Welsh-language market, albeit growing, is currently too small to be sustainable – without this support very few of the books (187) and magazines (16) we support on an annual basis would be published. The English-language market competes with that of Britain – the largest in the world with approx. 250,000 titles published annually, compared with the number of titles (156) and magazines (11) we support.

Welsh Government Book Gifting initiatives to schools, foodbanks and young learners have made a positive impact on the entire sector, with publishers, authors and booksellers benefiting from the investment. However, the absence of a similar scale investment for books for adults is not favouring the crucially important provision in especially Welsh-language content. We believe that additional investment in public libraries for Welsh dimension books and magazines would have a far-reaching beneficial impact with additional economic and social benefits. We would be keen to discuss proposals to expand on our work with libraries and other third sector organisations.

The support provided by the Welsh Government/Creative Wales through the Culture Recovery Fund was much welcomed, especially for freelancers, and several publishers also submitted successful applications. Whilst helping them through this challenging period, the tentative recovery of the sector is now impacted by the unprecedented increase in paper, fuel, and other production costs, which are especially challenging for low margin businesses such as publishing.