

CCWLSIR CIWF 01

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 Canolfan y Cyfryngau a Diwylliant mewn Cenhedloedd Bychain /

Response from Centre for Media and Culture in Small Nations

The Centre for Media and Culture in Small Nations coordinates research on the creative industries in Wales and the wider economic, social and political contexts in which these industries operate. The Centre delivers multi-disciplinary research by working with industry and policy partners to better understand the challenges and opportunities facing the creative industries in Wales.

This submission is informed by the Cardiff Capital Region (CCR) focused [Screen Work 2020](#) report (USW & Clwstwr), the [Screen Survey Wales 2021](#) report (a pan-Wales report looking at the film and TV sector beyond the CCR by USW & Creative Wales), reports to Welsh Government on mapping and economically costing the [Welsh Music Industries](#), and the [Games Survey Wales 2021](#) report (USW & Clwstwr) that looked at the Games industry across Wales.

Research into the impact of the pandemic on the theatre sector is ongoing and we expect to publish a report by end of year.

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?

Our research found there is a growing need to address wellbeing and mental health issues within the industry, with the pandemic highlighting the longstanding issues deep rooted in the culture of the screen industry. One training provider explained how "there is a large gap in understanding of the duty of care to freelancers and how to mitigate that in terms of mental health/ health and safety/ wellbeing and bullying and harassment".

In addition to highlighting these issues the pandemic has exacerbated the problem, particularly for those who continued to work throughout the pandemic. One company Chief Executive explained how "we mustn't underestimate the kind of exhaustion and mental health issues that's come about with this pandemic especially with a lot of people in our industry that have worked throughout it...working under such restrictive conditions".

The Covid-19 pandemic has provided a profound challenge to the geography of creative labour revealing how much remote working is possible and how technology

can provide routes to connect people across geographic boundaries that had seemed insurmountable. But it also provides evidence of how exclusionary practices, lack of strategic connectivity and infrastructure deficits continue to limit opportunities for learners, workers, and firms in the film and TV production sector. Covid-19 enforced changes in working practices and altered how the screen sector operates profoundly. 55.6% of companies and 26.9% of freelancers surveyed for the Screen Survey Wales 2021 report listed remote working as the main change to working patterns as a direct result of Covid-19. There was little change for those working in video games, with most respondents highlighting hybrid (home/office) and home working practices as the norm pre-pandemic.

While remote working has enabled more flexible working practices for many, it can also bring additional challenges that highlight geographical disparities, particularly for those in rural areas. The increased demand on home broadband brought by the pandemic was exacerbated for many due to the nature of their work especially those working in post-production.

Currently Wales is lagging behind when it comes to ultrafast broadband availability and 4G mobile coverage compared to the rest of the UK. Ofcom's latest figures from May 2021 reveal that Wales has the lowest access to ultrafast broadband with 40% coverage compared with 62% in the rest of the UK. With rising fuel costs, further research is needed to understand how the cost-of-living crisis will impact people's working practices and what initiatives will be made available to support the screen sector workforce.

Prof Paul Carr, with Bop Consulting, completed a financial assessment of the impact of Covid-19 on the music industries in Wales. Pre-pandemic the music industries in Wales consisted of £243m in Gross Value Added (GVA) and 7790 jobs. £131m of this GVA and 3,876 of these jobs were sustained directly by the music industries – with the remainder sustained indirectly along related supply chains. These industries collapsed in Wales in 2020, due to the Covid-19 pandemic and associated lockdowns, with the main impacts being: GVA reduced by 55% to £109m and employment reduced by 19% to 6,322 jobs in Wales. The larger fall in GVA than in employment reflects much reduced earnings for those that did remain in employment within the Welsh music industries during this year.

The sharpest contradiction in GVA came within the live music sector, with a 90% reduction in 2020, caused by the inability to hold live performances during lockdowns. The economic vitality of the music industries in Wales has depended crucially on the vibrancy of live music and viability of careers for musicians. In addition to collapsing the economic contribution of live music, the absence of these live performances reduced incomes for Welsh musicians. This reduction was not fully compensated by a modest (3%) increase in GVA from recorded music and

music publishing during 2020 and was compounded by challenges in accessing UK government support services for musicians working as freelancers.

The Welsh Government has put a commendable focus on strengthening the music talent pipeline through the National Music Strategy and new Music Service. This focus will be complemented by preservation of the live music ecosystem in Wales. The staffing challenges now experienced by some music venues mean that the talent pipeline should not just be thought of in terms of those on stage but also the many backstage staff required to put on these events. Over the longer-term, steps should be taken to increase the presence of those music subsectors that have been underrepresented in Wales. The immediate priority, however, remains preserving the live music ecosystem that was integral to the economic contribution of the Welsh music industries pre-Covid-19 – and which can also provide a foundation to growth within those music subsectors that are underrepresented in Wales.

Anecdotal evidence from the theatre industry shows overwhelmingly that freelancers and venues and their workers were severely affected by the pandemic with theatres being the last industry to be able to fully function, as the last to fully open following lockdown. Theatre companies sustained activities through online performances, live or recorded, and audiences reacted favourably. However, this only employed a fraction of the previous industry workers and could not sustain an industry structured to support live performances. Workers have been suffering from severe job uncertainty and many have been trying to find alternative work to stop the gap.

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

Over the past 12 months the creative industries in Wales has seen substantial growth in film and TV production. This includes both domestic production and investment from outside of Wales. Wales benefits from both remarkable landscapes and a talented workforce due to its established creative industries. However, as the demand for filming in Wales has increased, we are seeing shortages across the board in skilled production staff and service providers.

While the growth of the screen industry in Wales should be celebrated, the sector looks very different post-lockdown. The significant increase in people working remotely, includes those in managerial, administrative, and post-production roles. Covid-safe working conditions on set have also brought new challenges. One area where these changes have had a significant impact is with the delivery of training and the opportunities available for on-the-job training. The increased demand on the industry has highlighted the real and current deficit in Wales' skilled screen workforce across the board, particularly in areas outside the Cardiff Capital Region. Previous research and press attention have often focused on international and

network productions associated with nondomestic or CCR production houses and studios.

To sustain this growing industry, a better understanding is needed of the screen sector across the whole of the nation and how investment can be directed to ensure that Wales can maintain this important industry. Over 90% of content created by the larger production companies outside the CCR (employing between 25 and 55 employees) was for Public Service Broadcasters (PSBs), namely S4C, BBC and Channel 4. Where production in the CCR cluster is associated predominantly with drama, beyond the CCR factual and factual entertainment are more prevalent.

Working conditions were highlighted in the Screen Survey Wales report and the difficulties maintaining a work-life balance, particularly for those with caring responsibilities. One respondent noted “Excessive hours of work (16 to 18 hours per day real time, of which only 11 hours are paid, is the norm) makes it difficult to sustain a balance with family life”.

15.3% of freelancers (both male and female) listed longer working hours on set as a direct result of changes to working patterns to comply with Covid-19 safety measures. Departments most affected by these changes were those in close contact with others such as costume and hair and make-up – roles traditionally associated with women. Allowing for cleaning and disinfecting between cast sittings has resulted in longer call times. Companies and productions need to be mindful of these additional demands on their workforce and consideration is needed when budgeting to allow for extra support. Some inroads have been made to address the concerns raised by parents working in the screen sector. Severn Screen became the first studio to hire WonderWorks, a mobile nursery for cast and crew, on Welsh writer and director Gareth Evans’ crime drama *Havoc*, filmed in Wales during the summer of 2021.

In the Music Industries it is well documented how the self-employed portfolio careers of many people cause significant challenges during ‘normal times’, let alone in the aftermath of a pandemic (For example in 2018 – the Musicians’ Union reported that 44% of orchestral musicians did not have enough money to live on). As noted above, income streams dropped significantly during lockdown, with many musicians involved in the live music sector still not getting the same amount of work there was prior to March 2020.

Musicians are the creative heart and economic engine of the music industries, a factor that is especially true in a country like Wales, that does not benefit from the presence of major record labels and music publishers. Given the importance of musicians to employment within the Welsh music industries, it is important to the ongoing economic vitality of the music industries in Wales that the careers of musicians are maintained through and beyond the Covid-19 pandemic.

Many of these careers are sustained by relatively low and precarious incomes that depend upon the viability of local music infrastructures – grassroots music venues, pubs, social clubs, theatres, etc, in addition to recording studios and rehearsal rooms. Employment at establishments such as these contributed to the 1,373 jobs directly sustained by live music in Wales in 2019 – but music venues have also been highly adversely impacted by Covid-19, with a 35% reduction in live music employment over 2020.

Employment declined by 19% in 2020 in the Welsh music industries, less than the GVA decline across these industries (55%). This 19% reduction captures the exit of some workers from these industries – leaving skills gaps that remain a barrier to the growth of the Welsh music industries. The larger reduction in GVA than employment in 2020 reflects much reduced earnings for those that remained in employment in these industries during this year.

Recorded music and music publishing was the only sector to increase employment in 2020 (by 10%), due to the growth of streaming and broadcast revenues over this year. In contrast, music retail employment more than halved, a 52% reduction, as high streets locked down. This reflects the contrasting experiences of digital and in-person activities during the pandemic.

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

A profound culture shift is needed to make entry into the creative industries genuinely more inclusive and representative of Wales, and the industry itself must be at the vanguard of delivering action for change. In the film and TV sector, *77.7% of companies, 76.9% of freelancers reported 'networks', 'contacts' and 'word-of-mouth' as their main means of finding employment and crew.* Over reliance on contacts, networks and other anachronistic hiring practices makes it extremely difficult for new talent to break into the industry.

Notable inequalities remain when it comes to gender balance within the screen industry across Wales, with only 38% of freelancers/ sole traders in the Screen Survey Wales 2021 report (pan-Wales) and 35% of respondents in the Screen Work 2020 report (CCR) identifying as female compared with 62% and 65% male. Research revealed that there is a need to address concerns relating to workplace inequalities, bullying and harassment and these were particularly prevalent amongst women. The Screen Survey Wales 2021 report revealed that 22.2% of women surveyed listed inequalities, bullying and harassment as key barriers to progressing in the industry. 77.8% of women surveyed were parents compared with only 41.2% of men, and according to a recent study by the Institute of Screen Industries

Research at the University of Nottingham ‘retaining mothers in TV isn’t a priority for the industry. It doesn’t feature on diversity agendas and the exodus of women over 35 isn’t talked about as something that there’s any urgency to address. One woman in our survey pointed to this explicitly noting that “over my career the main barriers to career progression have been being a parent, a woman and a carer”.

Our research sample contained only a very small number of responses from those who considered themselves disabled or with a long-term health condition (5%) and those from ethnic groups or backgrounds other than white (2.5%). As a result, we are limited in what conclusions can be drawn from our findings. That said, the distinct lack of voice and presence of disabled and ethnic minorities in this study paints a troubling picture of an industry still struggling to be inclusive.

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

A sustainable film and TV sector in Wales requires investment in skills and training that extends beyond short-term responses to immediate crises. An action plan for skills must balance responses to short-term crises in the labour market with long-term planning and investment that can allow training providers and other stakeholders to deliver the transformational change required to build an inclusive workforce

While the industry across Wales has seen significant growth, a large proportion of this has been in the CCR. Our research identifies specific skills gaps impacting the screen industry pan-Wales during 2021. Specific roles included Editors, Edit Assistants, Researchers and Producers. In the immediate term, shortages in HGV drivers are also listed as one of the main problems facing service providers for the screen industry.

Our research found that technical multiskilling was another area of serious shortage. One Production Manager explained how there is a growing need for Welsh speaking multiskilled roles, namely Shooting Producer Directors, Edit Producers and Shooting Assistant Producers with network credits. Executive Chair of one of Wales’s largest media organisations explained how “due to the natural changes seen within in the industry and costs that drive production we are seeing a greater need for multiskilling than 2/3 years ago. Re-training someone who is good in one area to be multiskilled is not easy – people almost get stuck. I see this as a real challenge for us”.

In addition to shortages in technical multiskilled roles there is also a growing need for upskilling when it comes to business understanding. There is a demand for business skills to understand where value lies in a converged media market. Business and production multiskilling is central to the future of the industry especially when considering the changing landscape associated with funding.

Remote working has not only affected by the way in which people undertake their work, it has also impacted the way in which people receive both formal and informal on the job training. Film and TV production (including post-production) is a team game where co-location has been the foundation of how people learn from each other. Long-term training provision needs to be open to both online and in-person delivery, with budgets reflecting the value of both kinds of provision. The improved accessibility offered by online training needs to be retained, as it allows for a more inclusivity and accessibility. Remote working does not overcome barriers to inclusion, but rather needs to be considered holistically in planning future training provision and not seen as a silver bullet for engagement. Remote mentoring needs to be part of any future training strategy.

The Games Survey Wales 2021 report highlighted that video games companies' engagement with education providers was very patchy, with the majority not engaging. There is no training provision for video games specific skills in Wales. This is possibly because of the small market for this, with most video games companies in Wales are very small (less than 5 people). Another factor may be due to high quality training material being available online, especially for technical training.

As the music industry recovers from the pandemic, arguably one of the most urgent areas of training will be to 'fill the gaps' left by stakeholders who have left the profession. Our research suggested that this included not only those directly involved in the music industry (for example shortage of sound technicians, lighting engineers and crew), but also the importance of empowering music industry stakeholders to circumnavigate the administrative issues brought about by Brexit. It also makes sense to a) offer training to music industry stakeholders to complete funding bids, b) to train and encourage more stakeholders to engage in event promotion, as it is via this means that music industry stakeholders will generate both work for themselves and others.

Public body support

Professor Paul Carr's [report on the impact of government support during the pandemic](#) for the Culture, Welsh Language and Communications Committee reported on how mainly self-employed stakeholders in the music industry found it difficult to access funding – often 'slipping through the net' (in 2012 – the Musician' Union estimated that 94% of musicians were 'freelancers'). In addition to UK Government support schemes and Welsh Government's non- domestic rates relief, funding relevant to the music industries in Wales included the £7 million 'Arts Resilience Fund' (led by Arts Council Wales and targeted toward both individuals and organisations), the £401,551.39 allocated to 22 grassroot music businesses across Wales (as part of a £1 million 'Creative Wales Fund') and the £53 million

Cultural Recovery Fund – all of which offered ‘lifelines’ to music industry stakeholders during the pandemic (although many stakeholders found the guideline advice confusing). The report goes into detail on the further support needed.