CCWLSIR CIWF 06
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 Prifysgol De Cymru / Response from University of South Wales

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?

In terms of the music industry, in conjuction with Bop Consulting, I recently completed a financial assessment of the impact of covid on the music industries of Wales for Creative Wales. So before discussing the impact of covid and the current state of the music industries in Wales, based on this research, what follows below are some bullet pointed figures regarding what the financial state of the music industries in Wales were pre pandemic.

- In 2019, the music industries in Wales consisted of £243m in Gross Value Added (GVA) and 7790 jobs
- £131m of this GVA and 3876 of these jobs were sustained directly by the music industries – with the remainder sustained indirectly along related supply chains.
- These industries collapsed in 2020, due to the Covid-19 pandemic and associated lockdowns, with the main impacts as follows:

— GVA reduced by 55% to £109m and employment reduced by 19% to 6322 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 GVA in 2020, caused by the inability to hold live performances during the lockdowns that covered most of that year.

- Live music contributed more GVA than any other part of the Welsh music industries in 2019 — £115m, 47% of the total GVA contribution of the Welsh music industries.
- Music creators contributed more employment than any other part of the Welsh music industries in 2019 – 2,000 jobs directly sustained, 52% of the Welsh music industries total.
- Prior to Covid-19, these parts of the music industries were far stronger in Wales than recorded music and music publishing – reflecting the skew in these activities in the UK towards London, which is the base for major record labels and music publishers that do not have limited presence elsewhere in the UK.
- During 2020, the 90% reduction in GVA from live music contrasted with a 3% increase in GVA from recorded music and music publishing. This increase was driven by the persistence of music streaming 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 to Welsh musicians. This reduction in income 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 music industries entered the pandemic as a robust economic contributor. The latest data on its performance takes us to 2020. To get a sense of the degree to which recovery in the music industries since 2020 has been experienced in Wales and across all subsectors within the Welsh music industries, we undertook consultation with key music industries stakeholders. This consultation suggests that

- the Welsh music industries have not yet recovered the economic contribution that they made in 2019.
- There are fewer gigs and less gig attendance in Wales than pre-Covid-19. Numerous consultation respondents refer to these metrics now being around 20% reduced on pre-Covid-19.
- With live music being such a large contributor to the economic footprint of the Welsh music industries, this fall in the economic contribution of live music is likely to combine with a reduction in the overall output of the Welsh music industries.
- Older gig attendees are least likely to have returned to attendance.

The lockdown at the start of 2021 negatively impacted the economic contribution of the Welsh music industries. Further challenges experienced by the sector include:

- Difficultly in retaining adequate numbers and quality of staff: Many chose to leave the live music sector during Covid-19 to find employment in sectors that continued to operate and offer reasonable pay at (unlike the live music industries) family friendly hours.
- Cost increases: The consultation suggests that some costs associated with live music have increased by 30% since 2019. Covid-19 has contributed to these increases in various ways: staffing challenges; global supply chains working less efficiently than previously.

In terms of those factors that predate Covid-19, or which have other causes:

- As mentioned, some parts of the music industries in Wales (e.g., live music) are stronger than others (e.g., record and publishing labels; promoters; recording) and in the long term would benefit from more representation and strategic support.
- Brexit: New restrictions associated with the EU-UK Trade and Cooperation Agreement have caused issues for international touring, limiting the ability of Welsh artists to grow in new markets.

As gig attendances recover to pre-Covid-19 levels, the economic contribution of the Welsh music industries should also recover to pre-Covid-19 levels. This will be encouraged by gig attendance, especially by older attendees, who need to recover confidence in gig venues as spaces that are safe for their health. Equally, renewed pressure on the cost-of-living for households will reduce the amount of disposable income that can be allocated to gig attendance.

It is important that Welsh live music venues are given assistance to navigate these challenges. They are a key driver of the economic contribution of the Welsh music industries and the spaces within which Welsh music talent develops.

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.

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

Issues of financial stability have been outlined above, but in terms of pay and working conditions – it is well documented how the self employed portfolio careers of many people in the music industries causes significant challanges 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 currently 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 – such as 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 1373 jobs directly sustained by live music in Wales in 2019 – but music venues in particular 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?

I must confess to not having much insight into this important question. So I asked my colleague Lucy Squire, Head of Music and Drama at USW. Lucy outlined that there is still much inequality in music programming—a fact that is now being 'called out' on social media and in articles such as this. In Wales, there are organisations (Beacons, Forte, Horizons, Clwb Ifor Bach, Tŷ Cerdd) and bookers that are proactively readdressing imbalance but there is still much work to be done across genres, venues, promoters and audiences.
We believe that active support of diverse line ups is key. For example, Boomtown Fayre was a tremendous example of emerging artists (especially females from Wales) being given centre stage and associated recognition. There is also an opportunity for the new Cardiff International Arena to support this further, working with local communities and stakeholders to establish a relevant equality strategy for the project.

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

In terms of the public sector, it is important to point out that Wales has a number of universities engaging with music education, with the University of South Wales offering tuition in areas such as popular music performance, songwriting, music analysis, music production and music industries. Over many years, the University of South Wales has attempted to engage with the Welsh music industries in productive strategic ways and this is something which is continuing into the future. In terms of what feeds into university degrees, the recent actioning of the recommendations of the Donaldson review in addition to the National Plan for Music Education has offered more productive ways for popular music and music industry related studies to be introduced into the Welsh music curriculum, although it is essential that this is complemented with changes to assessment – which we understand is soon to be considered by Qualifications Wales. As I have pointed out to the Culture Welsh Language and Communications Commitee and Welsh Government previously, as it stands, the assessment system for GCSE and A Levels do not facilitate young people to fully engage with the type of learning that will enable them to engage with popular music either vocationally or indeed as part of the industry. To complement this 'mainstream' training, there are also a number of iniatives such as the Music Industry Development Fund (commenced in 2012), Horizons Lauchpad (2014), Forte Project and Horizons 12 (2014), all of which are intended to nurture Welsh talent up the developmental ladder.

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.

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

I documented a detailed report on the impact of government support during the pandemic for the Culture Welsh Language and Communications Committee, which can be accessed here. When reflecting on the support offered, it is well documented that when covid 19 hit, the 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). In terms of the further support needed:

- Many Grassroot music venues were struggling to make ends meet before the pandemic and are seemingly struggling more now. Support is therefore needed to ensure these important establishments are given ongoing advice and support to ensure they can keep their doors open.
- In order to ensure the economic contribution provided by the Welsh music industries pre pandemic is safeguarded and built upon, supporting the live music ecosystem has to be an immediate priority. In addition to the ongoing support for Grassroot Music Venues, ways in which this could be achieved include a) urgent identification of skills gaps and consequent training to fill them; b) National training (through Forte?) to increase the number of event promoters in Wales; c) our research indicates that there are only 7 dedicated rehearsal studios in the whole of Wales, so investment to ensure musicians throughout Wales have access to these spaces is important (Only three authorities (Cardiff, Caerphilly and Vale of Glamorgan) have both recording studios and dedicated rehearsal studios complementing their music venues); d) to ensure the grant application process is demystified via ongoing training and advice for music industry stakeholders.
- To build upon the work I have undertaken recently for Creative Wales, ongoing yearly investment to determine the economic value of the music industries in Wales is essential, in order to determine recovery.
- Ongoing investment to ensure the recent venue mapping in Wales I conducted by for Creative Wales is publicised and kept up to date.
- Financial support to ensure that as part of Creative Wales’ new web site, a page is allocated to advertising funding, training and career opportunities for the music industries.
- Although more of a long-term priority, to consider ways in which the recording and publishing sectors in Wales can be developed so they can provide a greater contribution to the Welsh music industries economic contribution.
- For Welsh Government to work with Arts Council Wales to consider ways in which some part of the commercial music industry are given ‘Revenue Funded Organisation’ Status.