

**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 4th 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 23rd 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

30th September 2022