

Agenda – Culture, Welsh Language and Communications Committee

Meeting Venue:

Committee Room 2 – Senedd

Meeting date: 18 October 2018

Meeting time: 09.00

For further information contact:

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Committee Clerk

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- 1 Introductions, apologies, substitutions and declarations of interest**

- 2 Short inquiry into the implications of Brexit on areas within the committee's remit: Evidence session 1**
(09:00 – 10:00) (Pages 1 – 97)
Dafydd Elis-Thomas AM, Minister for Culture, Tourism and Sport
Jason Thomas, Director of Culture, Sport and Tourism
Simon Brindle, Deputy Director, European Transition

- 3 Short inquiry into the implications of Brexit on areas within the committee's remit: Evidence session 2**
(10:00 – 11:00)
Pauline Burt, Chief Executive, Ffilm Cymru Wales
Eluned Haf, Head of Wales Arts International
Zélie Flach, European Officer, Wales Arts International

- 4 Short inquiry into the implications of Brexit on areas within the committee's remit: Evidence session 3**
(11:00 – 12:00)
Professor Claire Gorrara, Professor of French Studies, School of Modern Languages, Cardiff University
Meirion Prys Jones, Chief Executive, Network to Promote Linguistic Diversity



5 Paper(s) to note

5.1 Funding for and access to music education: Letter from Music Education Council

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5.2 Funding for and access to music education: Letter from The Association of Male Choirs

(Pages 99 – 100)

5.3 The Welsh Government's relationship with Pinewood: Letter to the Chair from the Welsh Government

(Pages 101 – 102)

6 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:

7 Private debrief

(12:00 – 12:15)

8 Priorities for the Culture, Welsh Language and Communications Committee: Consideration of summer poll results

(12:15 – 12:30)

(Pages 103 – 108)

Agenda Item 2

Document is Restricted

FFILM CYMRU WALES EVIDENCE

INQUIRY INTO THE IMPLICATIONS OF BREXIT FOR THOSE AREAS COVERED BY THE CULTURE, WELSH LANGUAGE AND COMMUNICATIONS' COMMITTEE



SEPTEMBER 2018

Introduction

Ffilm Cymru Wales welcomes the opportunity to feed into the culture committee's inquiry into the implications of Brexit.

As film production and exploitation is inherently international, both in terms of its production and trade, the proposed exiting of the UK from the European Union presents multiple challenges.

In response to these challenges creative sector organisations from across the UK, sub-sectors and value chain, have collaborated to trouble-shoot, pool knowledge and resources, to commission research and legal advice, and to co-ordinate communication across multiple departments of central government. Ffilm Cymru has fed into this work, which has been led by the BFI, the Creative Industries Council (CIC) and the Creative Industries Federation (CIF)¹. We encourage the committee to seek evidence from them directly.

Overview

UK-wide:

The creative industries are engaged in both the production of goods and the provision of services.

Films, television programmes, games, publications, merchandise and soundtracks are sold to UK and international distributors generating economic, cultural and social value; whilst services provided to domestic and international content creators are wide and varied from legal, accounting and marketing services to the provision of equipment (cameras, lights, vehicles), sound and picture editing facilities, actors, crew, catering, construction, studios, locations and so on.

The BFI's soon to be published statistics for UK film in 2017 show that 294 films were produced that year that qualified as British, with combined budgets of £2.7 billion. Of these:

- 73 (25%) were brought into the UK from elsewhere, accounting for £1.8b spend,
- 174 films (59%) were 'domestic films', originated and filmed in the UK, accounting for £221m spend, and
- 18 (6%) were official international co-productions with combined budgets of £66.2m

Film continues to be a growing market, with 171 million cinema admissions for UK and the republic of Ireland (film rights are usually sold to both territories as one but can be disaggregated) – representing a 3.7% increase. UK qualifying films released in 2016 generated 16.4% of the global box office for film, at £6.5 billion. This figure includes US studio-backed films that film here, such as *Star Wars: Rogue One*. UK independent films accounted for £475 million equating to 1.7% of the US box office and 1.5% of Europe's box office.

Wales:

Wales Screen is the screen commission for Wales and works closely with the British Film Commission to promote its services internationally, attracting incoming productions to Wales as well as servicing

¹ The Creative Industries Federation published a 73 page report, drawing upon input from over 500 submissions: <https://www.creativeindustriesfederation.com/news/impact-leaving-eu-uks-creative-industries>

local producers with information on the locations, facilities, services and crew that are available here, and providing an overview of various potential sources of finance within and beyond Welsh Government: <https://businesswales.gov.wales/walesscreen/>

As the lottery delegate of the Arts Council of Wales and the BFI, Ffilm Cymru Wales is committed to advancing an inclusive and sustainable film sector for Wales, with a focus on Welsh (born and resident) writers, directors and producers who are originating and exploiting intellectual property. To-date this has included funding 69 feature films through to production with combined budgets of £73.6m, leveraged against Ffilm Cymru' investment of £8m and generating circa £30m of Welsh spend. We have also invested in the pipeline of future productions, financing the development of a further 50+ feature films, with anticipated production spend of £30m in 2018-19 and 2019-20.

Our evidence suggests that Welsh talent is outward looking and has significant engagement with European co-producing partners and financiers. 16 of the 69 films funded through to production have been international co-productions – that's 23% of productions as compared to the UK average of 6%. Of these, 14 (89%) have been co-produced with EU countries. Our most frequent partner has been Ireland (8 films), followed by Sweden (2) and one film each co-produced in France, Luxembourg, Spain and Germany. These co-producing territories contributed c.£4.9m in co-financing.

From a soft-power perspective, we might also want to note that these European co-productions include this year's UK foreign language Oscar submission, *I Am Not A Witch*, a UK-France co-production from Welsh-Zambian writer-director, Rungano Nyoni; and Best Animated Feature nominee at the European Film Awards, *Ethel & Ernest*.

The films that we have co-funded have sold to upwards of 30 territories (where territories frequently aggregate countries – e.g. North America, Middle East, French-speaking rights) with *The Machine*, *Ethel & Ernest*, *Submarine*, *I Am Not A Witch*, *Just Jim*, *Dark Horse*, *Mugabe and the White African*, *The Canal* and *Don't Knock Twice* all exceeding 10 territories each.

Areas of concern

Whilst there have been positive and progressive discussions between the sector and central government, as spearheaded by CIF, CIC and the BFI, with government signalling their appreciation of sector potential and needs, we do not yet know if a transitional deal will be actioned or if so, what the detail of that agreement will be.

The areas of concern cited here reflect the position if we exit the EU at the end of March 2019 without a transition deal and/or the position following a transition period, if these areas are not otherwise satisfactorily addressed in a Free Trade Agreement with the EU.

Freedom of movement of people

Whether it's cast and crew coming to the UK, or UK filmmakers filming abroad, this is a sector that is heavily reliant upon the easy movement of people and their equipment across international borders. 74% of respondents to a recent CIF survey expect restrictions to immigration to limit their capacity to do business.

Whilst there are visa routes available (see below) for incoming professionals to the UK, as currently used to bring talent in from America for example, these visas take time, money and navigation of

bureaucracy to access, as opposed to the current freedom of movement across the EU. Furthermore, those travelling from the UK to EU countries will be subject to individual member state immigration rules as a third country.

Tier 1 visas: - for exceptionally talented individuals who are already recognised as world leaders, or those who have the potential to become world leaders in the arts.

Tier 2 visas – for skilled individuals who have the potential to fill specific jobs that cannot be filled with nationals

Tier 5 – temporary worker, creative. For paid temporary work, initially up to 24 months e.g. actors/musicians

Both tier 2 and tier 5 options require the prospective employer to obtain a sponsor licence. As cited on the Visa Bureau website “ without an Employer Sponsorship Licence already approved, it can take months before employers can take on a new employee.”²

Temporary transport of equipment is likely to require administration and costs to evidence permission.

On this matter, the committee may wish to review the cross-party DCMS select committee report³ on its recommendations on travel arrangements for the creative industries post-Brexit. The report recognises the importance of flexible and free movement for the creative sector and proposes extending free movement for the duration of any transition period. It also acknowledges the lack of capacity within small enterprises to take on the additional costs and burdens of a bureaucratic visa system.

Depletion of workforce

There is potential for current EU workers in the UK to leave - whether or not the government comes good on their offer for them to stay – with some citing that they no longer feel welcome. This comes in a context when the Workforce Foundation June 2017 report⁴ finds that an estimated 10,000 new entrants to the screen industries are needed, with 30,000 job opportunities by 2020.

Post-production and visual effects have tended to be areas that have particularly engaged workers from the EU.

21% of respondents to CIF's Global Trade Report said they'd consider moving all or part of their business abroad in the event of a no-deal.⁵

Exports

With 45% of UK creative industries service exports going to the EU according to Creative Industry

² www.visabureau.com/uk/employer-sponsor/licence.aspx

³ <https://www.parliament.uk/business/committees/committees-a-z/commons-select/digital-culture-media-and-sport-committee/news/brexit-report-published-17-19/>

⁴ <https://www.bfi.org.uk/sites/bfi.org.uk/files/downloads/skills-audit-of-the-uk-film-and-screen-industries-2017.pdf>

⁵ <https://www.creativeindustriesfederation.com/publications/global-trade-report>

Federation's Global Trade Report⁶, the introduction of tariffs is a potential barrier to trade.

Moreover, there are complexities and added costs to be factored in in relation to withholding tax, VAT and customs duties, once out of the Single Market.

Access to finance

BFI research suggests that the UK benefitted from £298.4m of EU funding over the last decade in relation to film (across the value chain from development and production, through to market exploitation and film education). If we leave the EU without a deal, access to the Creative Europe programme will cease for new applicants from the end of March 2019.

Welsh filmmakers have not typically accessed Creative Europe funding for production. However, some have benefitted from their sales agents or distributors accessing this support. And, one can reasonably anticipate increased competition for alternative investment, if/when this Creative Europe funding ceases to be available.

Access to European finance is not the only concern however, as one might reasonably expect increased caution from private investors (whether directly or via managed EIS funds) in an environment where there is increased uncertainty, potentially restricted movement and barriers to trade to overcome.

Ability to adapt

The film sector is long-standing and has had to adapt considerably over the years, responding to digital disruption, changing consumer behaviour and fluctuations in various fiscal circumstances. But, by any standards, Brexit poses an enormous amount of complex change to navigate.

Whilst a proposed transitional deal (see below) offers more time and opportunity to address areas of concern, significant changes to business practices will still be required particularly around researching and developing relationships in new markets, and tailoring content opportunities to those markets.

Time, money, effort and access to expertise is required to address the challenges that Brexit poses. And these challenges are all-the-more concerning when 95% of the creative sector is comprised of freelancers and SMEs, many of whom are micro-enterprises. They simply do not have the capacity to absorb and react to the technical notices only now being issued by central government, or to quickly adapt their business practices and production pipelines to the post-Brexit market.

Areas of stability:

Notwithstanding the areas of concern that Brexit poses, there are areas that remain stable.

UK tax credits remain at 25% of UK qualifying expenditure (used and consumed in the UK) for film, high-end and childrens' television, animation and games.

⁶ <https://www.creativeindustriesfederation.com/publications/global-trade-report>

£11m of financing has been generated through this mechanism across the 69 films Ffilm Cymru has co-funded through to production to-date.

National lottery funding is raised and managed within the UK and subject to UK legislation. It is accessible on a competitive basis to British qualifying films intended for theatrical release. A total of £15.6m of lottery finance has been invested across the slate of 69 films Ffilm Cymru has supported, including c.£8m delegated from ACW for Ffilm Cymru to invest.

We do have some concerns around current DCMS proposals on potential changes to Societies Lotteries, which may negatively impact on funding raised through the National Lottery, but that's for another time. DCMS are currently reviewing responses to their consultation.⁷

UK tax incentives – UK government continues to offer tax incentives to UK investors through the Enterprise Investment Scheme⁸. To-date Ffilm Cymru funded films have benefitted from £6.15m of EIS or VC investment.

Government has recently over-hauled how EIS works, to focus its application on building sustainable businesses. This means that it is unlikely to be applicable to single films, as has previously been the case, and therefore requires producers to rethink their approach to raising film production capital – looking at their longer-term business growth plans. This is good – but challenging. Production companies will have to fundamentally shift their project-by-project business modelling and practices, and this is likely to need to be supported with training.

There is potential to raise up to £5 million a year, with a maximum raise of £12 million in a company's lifetime through EIS (and other) tax incentivised wrappers.

If creative sector companies are able to adapt their business model, there is potential to tap into other financial offers – such as leveraging investors' contributions via the Development Bank of Wales or the British Business Bank (see below).

International co-production treaties

The UK co-production treaties remain operational following Brexit, as a series of bilateral agreements made under UK law with Australia, Brazil, Canada, China, India, Israel, Jamaica, Morocco, New Zealand, Occupied Palestinian Territories, South Africa and France (the only EU territory). Co-production under any of these agreements affords the production the full benefit of the co-producing territories (e.g. access to finance/rules as a 'national film'), together with temporary admission for individuals engaged by the co-producing parties, and removal of import duties and taxes on equipment.

However, as said elsewhere, feature films and television programmes often take years to develop with stories that will lend themselves to filming in particular territories. They are not automatically portable. It will therefore take time for production companies to adapt their pipeline of production if they were not previously readying productions for these countries. The UK currently has no other forthcoming film sector treaties in progress.

⁷ <https://www.gov.uk/government/consultations/consultation-on-society-lottery-reform>

⁸ <https://www.gov.uk/guidance/venture-capital-schemes-apply-for-the-enterprise-investment-scheme>

Importantly, the European Coproduction Convention remains operational on an on-going basis beyond Brexit. This agreement is a multi-lateral agreement that comes under the Council of Europe to promote European (as opposed to European Union) production.⁹ It is also the primary agreement under which the co-productions we have invested in have progressed their productions.

Productions that qualify under the Convention will have access to the benefits afforded to National films (e.g. lottery funding, tax credits) and the co-producing territories will “facilitate entry and residence, as well as the granting of work permits in its territory, of technical and artistic personnel... (to those) participating in a co-production” and shall “permit the temporary import and re-export of equipment necessary for the production and distribution”. Therefore, we still have a route for co-producing with Europe, and for accessing funding from those territories, but the work permits and tariffs must now be navigated, in comparison to frictionless and free movement within the EU.

UK films will continue to be recognised as European – which will be important in the context of international quotas.

Transitional deal:

As the committee will appreciate a transitional deal between the UK and EU will only exist if and when all points are agreed. At this time, the UK and EU negotiators have agreed various points in principle around Creative Europe and developing a cultural accord, however, any transitional deal if agreed will only ‘buy time’ and the UK government’s mobility framework is yet to be worked-up.

Briefly, the UK government have proposed the following¹⁰:

- For the UK to continue to pay into Creative Europe to enable continued access for the duration of the current programme (due to end December 2020) and to ensure continued payments to those proposals awarded funding by the programme to continue to benefit for the lifetime of their projects. The UK government has undertaken to underwrite this proposal in the event of a no-deal.¹¹
- Proposals to mutually recognise qualifications.
- EU citizens who arrive in the UK before the end the transitional phase (if actioned) could apply for ‘settled status’ after five years in the UK, and in the interim apply for temporary permission until they meet the criteria to apply for ‘settled status’.
- The development of a ‘labour mobility framework’ that could replace freedom of movement in respect of the UK and EU and could potentially offer time limited visa free travel for the provision of services. An immigration White paper is expected in October 2018.

It is not clear whether audiovisual would be included in any future Free Trade Agreement, as to-date it has been excluded as a ‘cultural exception’.

⁹ <https://www.coe.int/en/web/conventions/full-list/-/conventions/rms/090000168007bd2d>

¹⁰ <https://www.creativeindustriesfederation.com/sites/default/files/2018-07/Brexit%20White%20Paper%20Summary.pdf>

¹¹ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-07-24/HCWS927>

It is a positive sign that the UK and EU have agreed to discuss a 'cultural and educational accord' as part of their on-going negotiations. However, it is not clear how active these discussions will be whilst navigating fundamental issues such as border provisions in Northern Ireland and arrangements for aviation, medicines and food.

Opportunities:

In acknowledging the growth potential and challenges facing the creative industries central government has developed a creative sector deal, as part of its Industrial Strategy. This seeks to improve resilience and opportunities for growth on a global stage. Provisions, which Wales should seek to capitalise on, include:

- Increased innovation funding through AHRC. Cardiff is a beneficiary of the recently announced AHRC supported creative clusters, with a focus on the screen industries. Funding provides R&D capacity over the next 4+ years including systematically improve the exploitation of IP. The AHRC programme also established the Policy and Evidence Centre, overseen by NESTA, which will gather, analyse and share data and knowledge across the clusters.
- There is a live call through UK Research and Innovation to their challenge fund to create immersive experiences, products and experiences for the audiences of the future.¹²
- A new commercial investment programme through the British Business Bank to mobilise clusters of business angels outside of London, including for IP rich small businesses.¹³ Whilst the Development Bank of Wales is also doing good work in this area, we should be mindful not to miss out on UK wide opportunities through the British Business Bank and to ensure that businesses in the creative industries, often dealing in intangible assets, are beneficiaries.
- A proposed UK Shared Prosperity Fund to provide funding after the EU leaves the UK.¹⁴ A consultation on proposals is expected.

Summary

We are operating in times of unprecedented change, with significant potential to undermine growth. There are opportunities including new international markets to research and develop; accelerated and more effective growth through broader IP and market development; shared learning through clusters; and new or replacement funding mechanisms to understand and access.

However, the small and micro enterprises that populate our creative industries do not have the capacity to process these change demands and respond to the opportunities.

Welsh Government could significantly improve the odds for Welsh businesses by ensuring flexible international trade and early stage R&D support that allows companies to work to their specific needs and as part of a collective. Either way, opportunities to pool and share learning could provide wider benefits.

¹² <https://www.ukri.org/innovation/industrial-strategy-challenge-fund/audience-of-the-future/>

¹³ <https://www.british-business-bank.co.uk/new-uk-business-angel-market-report-published-british-business-bank-reveals-clear-regional-disparity-57-business-angels-based-london-south-east/>

¹⁴ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-07-24/HCWS927>

Cynulliad Cenedlaethol Cymru / National Assembly for Wales
Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu / The Culture, Welsh Language and Communications Committee
Ymchwiliad byr i oblygiadau ymadael â'r Undeb Ewropeaidd / Short inquiry into the implications of Brexit
CWLC(5) BREXIT02
Ymateb gan European Language Equality Network / Evidence from European Language Equality Network

Regarding the consultation into the implications of Brexit on areas within the Culture, Welsh Language and Communications Committee's remit, ELEN wishes to reiterate its position concerning the effect of Brexit on Welsh.

Our position was formulated firstly in 2016 in an open letter with our member organisations, see: <https://elen.ngo/2016/06/20/an-open-letter-llythyr-agored-lyther-ygor-litir-oscailte-our-language-communities-benefit-from-our-membership-of-the-european-union/>

Secondly, we have called for an intergovernmental and civil society working group that will work to address the upcoming problems for Welsh and the other Celtic languages in the UK because of Brexit. See: <https://elen.ngo/2017/05/31/elen-call-for-an-intergovernmental-working-group-to-address-the-threat-of-brex-it-to-the-celtic-languages/>

1. Sinfonia Cymru is a chamber orchestra based in Wales, which focusses on supporting young professional musicians in the early stage of their careers. Players are drawn from Wales and the rest of the UK. We provide a wide range of programmes – chamber orchestral, chamber music recitals, contemporary chamber music, cross–genre projects and schools performances. One of the distinctive features of the way in which Sinfonia Cymru works is that we put players at the heart of our creative programming.
2. Sinfonia Cymru is a member of the Association of British Orchestras (ABO) and our Chief Executive sits on the ABO Board.
3. To give the Committee a UK–wide perspective of the potential impact of Brexit on the orchestra sector, we are providing as part of our evidence a paper produced by the ABO earlier this year for the UK Government. This sets out in some detail the likely areas of impact.
4. The ABO represents a varied range of orchestras within the professional sector as its core members. Through its associate membership, it also represents youth orchestras, conservatoires and other bodies.
5. Orchestras in Wales and the rest of the UK cover a variety of models in terms of their governance, management and purpose. There is also a wide–range of scales – from full–scale symphony orchestra with 80 or 90 players to smaller chamber ensembles of between 12 and 30.
6. Sinfonia Cymru is a freelance orchestra, engaging players when it needs them, according to the requirements of each programme or project. Occasionally, it will play at symphony orchestra scale, but most of its work is focused on chamber orchestral repertoire or smaller ensembles for chamber music projects. It uses guest artists and conductors, who sometimes come from abroad, although most are based in the UK.

7. Given the diversity of models across the UK, as well as specifically in Wales, the impacts of Brexit are difficult to predict as they are likely to differ for each organisation. However, the key elements addressed in the ABO paper for the wider UK orchestral sector are just as likely to impact on the orchestras based in Wales, immediately or at some future time.
8. Freedom of movement for guest artists, conductors, and orchestral musicians, currently enjoyed by EEA artists, could be restricted and subject to increased bureaucracy and cost if the current system for non-EEA artists is extended to the EEA.
9. European touring is likely to be impacted. Sinfonia Cymru's international work is fairly limited but recent events include a cross-nation festival in 2014, which took place in Estonia, Italy, Sweden and Wales; and, in 2017, a visit to Romania as the guest ensemble at the Vibrate Festival.
10. Although we may be less active in international touring than some of our sector colleagues, anything that restricts, inhibits or makes it more difficult to tour, will potentially be detrimental to future European touring projects. Restriction of movement, increased border controls, increased cost and bureaucracy for travel, reduction or removal of common health provision, and changes to withholding tax rules will all potentially impact on the viability and desirability for Sinfonia Cymru and other Welsh orchestras to organise performances in Europe in the future.

BREXIT – the impact on British Orchestras

1. Executive Summary

- British orchestras are a global success story, touring across the major continents and forging new markets in emerging economies. They have contributed to the UK Government and devolved administrations' ambitions for 'soft power' and cultural exchange. Europe, however, remains one of their most important marketplaces.
- British orchestras have been adept at maximising the return on their public investment through earned income, contributed income, and international touring. Any negative impact to the cultural economy that may result from Brexit will damage their financial viability.
- Touring is intrinsic to the orchestral business model. Any imposition of visas, carnets and other tariffs and barriers when touring into the EEA will damage our members' ability to serve as cultural ambassadors for the UK. Of particular importance is the A1 form, which prevents the deduction of social security payments when musicians work in another EEA country. It is also important to point out that contracts with promoters in the EEA have already been signed for tours taking place beyond March 2019.
- British orchestras have benefited from freedom of movement and access to talent from across the EEA, with some orchestras now seeing more than 20% of their musicians coming from other EU countries. Were restrictions to be imposed by the British Government on EEA citizens, this would damage our members' international reputation and financial sustainability.
- The ABO believes it would be in the best interests of British orchestras, and the wider classical music industry, to retain access as much as possible to the current benefits of membership of the European single market, including freedom of movement across borders for EU and UK musicians. We are also concerned at the UK losing influence over future European regulations, which may add to the cost and bureaucracy of touring into the EEA.

2 Introduction

- 2.1 The Association of British Orchestras (ABO) is the representative body for professional orchestras in the UK. Its 65 full members range from the major symphony orchestras to chamber, opera and ballet orchestras. Other categories of membership include national and local youth orchestras, conservatoires, venues, festivals, broadcasters and funding agencies.
- 2.2 The ABO's mission is to enable and support an innovative, collaborative and sustainable orchestral sector. It exists to provide advice, support, intelligence and information to the people who make British orchestras a global success.
- 2.3 Following attendance at two roundtables with ministers from the Department for Digital, Culture, Media and Sport and the Department for Exiting the EU, the ABO has consulted its members on the key challenges that Brexit will pose. This paper outlines the results of that consultation.

3. Access to Talent

- 3.1 British orchestras, opera and ballet companies rely on guest artists such as conductors, soloists, singers and dancers to be able to travel in and out of the UK, on almost a daily basis and often for just one engagement. They may also be required at extremely short notice to replace artists who have had to cancel due to illness and injury. These artists need to know the particular role or repertoire for the concert or production, which means a UK artist is highly likely not to be suitable or available.
- 3.2 The Permitted Paid Engagement system currently applies for non-EEA artists. This works well for non-visa nationals, although the 30 day restriction causes some problems for opera, where the artist may be engaged for a longer period. For visa nationals there is a cost and additional bureaucracy, and there is a risk that young artists at the outset of their career may not be able to prove to the satisfaction of the UK Border Force their standing, reputation and earnings and that they are an “established professional”.
- 3.3 EEA artists have of course been able to come in and out of the UK under freedom of movement rules. ABO members would be concerned if the visa-national PPE system were to be extended to EEA citizens, creating additional restrictions and bureaucracy, and if similar obstacles were imposed on British artists travelling into Europe for engagements.
- 3.4 The planning cycle for British orchestras is 2-3 years, and 3-4 years for opera. This means contracts have already been entered with EEA artists beyond 29 March 2019, creating risk in relation to additional costs and bureaucracy that have not been budgeted for.
- 3.5 Freedom of movement for EEA citizens has meant that the workforce of British orchestras now comprises many nationalities. The average percentage of EU nationals is 8.3%, and some of our best known orchestras now have over 20% of their musicians coming from other EU countries. The proportion of EU nationals in British orchestras is higher in Scotland (10.1%), London (9.9%) and Northern Ireland (8.8%) than in the rest of England (5.4%) and Wales (4.7%).
- 3.6 Of the 2500 permanent or regular positions in British orchestras, under 10% are EU nationals, meaning the number recruited each year is very small. Enabling continued recruitment of EU nationals into British orchestras will have a negligible impact on overall migration numbers.
- 3.7 Securing a position in an orchestra is highly competitive and it is the aim of every orchestra to ensure that the very best musician is appointed. This is vital to ensuring that quality is maintained and British orchestras remain competitive in a global marketplace. This is all the more important at a time of reduced public investment, when ABO members are under ever greater pressure to secure engagements abroad.
- 3.8 This need for the very best talent has been recognised by the UK government through the inclusion of principal, sub-principal and numbered orchestral musicians on the Shortage Occupation List. This enables orchestras to recruit permanent musicians from outside the EEA under the Tier 2 Points Based System without recourse to the Resident Labour Market Test.
- 3.9 Tutti players (also known as ‘rank and file’) were formerly on the Shortage Occupation List but following objections from the Musicians’ Union are now subject to a Resident Labour Market Test. However, the ABO was able to secure from the Home Office an extension to

the recruitment period from 6 months to 24 months, in recognition of the rigorous and lengthy audition and trialling process that all candidates for an orchestral position must go through.

- 3.10 Recruitment under the Points Based System for Migrant Workers is bureaucratic and costly, involving substantial visa fees. Were the Points Based System to be extended to EEA citizens, as part of a drive to control migration, this would add to the administrative burden and cost of recruitment, at a time when ABO members face financial challenges.
- 3.11 A further issue is that the salary threshold for entering the UK with an initial job offer has increased to £30,000, which is above the average starting salary for an orchestra, with the threshold for obtaining indefinite leave after five years now £35,000. Following a sustained period of public spending cuts, orchestral salaries have flatlined, meaning that the pay of permanent orchestral musicians may well not meet that high threshold.
- 3.12 This will make recruitment of non-UK musicians that much more difficult, as there is every possibility that musicians from EEA countries (and indeed from non-EEA countries) will not be able to take up job offers from British orchestras, or may need to leave the UK, and lose their employment, after 5 years. This will have the inevitable consequence that fewer non-UK musicians will wish to apply for work in the UK.
- 3.13 In common with many other employers, our members require certainty as to the future right to remain in the UK for their EU national employees.
- 3.14 The border between Northern Ireland and the Republic of Ireland is of particular relevance to the Ulster Orchestra. One permanent member of the orchestra lives in the Republic, while many 'extras and deputies' cross the border to work with the orchestra on a freelance basis.
- 3.15 Some musicians, especially those working in specialist period instrument orchestras, are EU nationals who live in their own country and travel into the UK for concerts and recordings sessions.
- 3.16 1250 self-employed musicians hold member status of freelance orchestras, and there are over 10,000 engagements each year of self-employed 'extras and deputies'. It is vital that British orchestras can continue to engage freelance EU nationals on a regular and casual basis.
- 3.17 We wish to flag up the concerns of the specialist HE institutions. The percentage of EEA students at the UK's music conservatoires is significantly higher than the average across Higher Education. Music conservatoires are the major supplier of recruits into the orchestral workforce, and any risk to their financial sustainability and international reputation will have a negative impact on the orchestral sector. See Appendix I for details of how Brexit will impact on the UK's music conservatoires.
- 3.18 The question has been asked of the ABO as to whether a benefit from leaving the EU would be the creation of more opportunities for home-grown talent. Yet the reason an increasing number of non-UK musicians have been recruited in recent years is that there is a shortage of home-grown candidates. The question has to be put back to the UK government as to whether they can ensure that sufficient funding to enable opportunities for sustained access to instrumental tuition, regardless of economic or social circumstance, throughout primary and secondary education, allied to opportunities to perform in youth orchestras, will be made

available, enabling talented British musicians to secure places at our world-renowned music conservatoires, and on into professional employment.

- 3.19 While increased investment in music education would be most welcome, to enable recruitment of orchestral musicians from EEA and non-EEA countries to be replaced by home-grown talent, this cannot happen overnight. A transitional period would be necessary to enable British orchestras to continue to recruit the best in global talent until such time as there is no longer a shortage of home-grown musicians.
- 3.20 The ABO has noted with concern the relocation of the European Union Baroque Orchestra to Belgium and the imminent relocation of the European Union Youth Orchestra, established in London in 1976, to Italy. The UK's withdrawal from the EU may mean that talented young musicians from the UK will no longer be able to perform in this world-renowned ensemble.

4 Touring across Borders

- 4.1 British orchestras perform a strong public relations role for the UK, showcasing the best of British culture and musical expertise to thousands of people across the globe. In 2016 British orchestras visited a total of 42 countries, compared with 35 countries in 2013. Europe is the most toured-to continent, with orchestras reporting 96 visits to 26 different European countries.¹
- 4.2 Membership of the single market and the customs union has been hugely beneficial in enabling British orchestras to tour across Europe, which generates both revenue and secures their international reputation.
- 4.3 If controls are placed on EU citizens coming to work in the UK, controls may equally be placed on UK citizens wishing to work in EU countries. Restrictions and costs, for example for work permits, could be imposed on ABO members, damaging the financial viability of tours.
- 4.4 The planning cycle for orchestras is often more than two years ahead of performance (and up to four years for opera), which means that contracts with promoters in the EU have already been signed for beyond March 2019. This means that fees have been fixed, and any additional costs that follow the UK's withdrawal from the EU have the potential to cause already contracted tours to lose money.
- 4.5 A crucial tool for ensuring that musicians do not have social security payments deducted when working in other EU countries is the A1 form. The ABO urgently needs assurance that the UK will remain within the A1 system, as tours have already been negotiated beyond 29 March 2019. As an example, Switzerland has been able to negotiate access to the A1 system through a bilateral agreement.
- 4.6 Loss of access to the European Health Insurance Card will mean that orchestras and freelance musicians, as well as youth orchestras, will need to pay extra for medical insurance when on tour.
- 4.7 Membership of the customs union removes the need for carnets and border controls when transporting musical instruments across EU borders. Should border controls and carnets be

¹ [The State of Britain's Orchestras in 2016](#), ABO, January 2017

imposed once the UK leaves the EU, this will add significantly to the administration and cost of touring into Europe.

- 4.8 ABO members have reported that they will need an extra day on either side of the tour to ensure sufficient time for trucks to exit and then return to the UK, and the musicians will need, at considerable cost, second instruments to ensure they can continue to rehearse and perform in the UK while their other instrument is transported into Europe.
- 4.9 It is important to note that customs controls would also apply to national and local youth orchestras, potentially reducing opportunities for young people to gain valuable experience of touring to and engaging in cultural exchange with other EU countries.
- 4.10 Promoters in Spain have alerted our members that withholding tax, which is charged at 19% for EU countries, will increase to 24% once the UK has left the EU. This will be deducted from the musicians' fees, and the secondary level taxation will be irrecoverable as orchestras in the UK, being registered charities, do not pay corporation tax.
- 4.11 The ABO and Musicians' Union, along with their colleagues in Pearle (Live Performance Europe) and the International Federation of Musicians, are keen for the revised Passenger Rights Directive, already passed by the European Parliament, to be approved by the Council of Ministers. This is because it contains clauses relating to the adoption by airlines of fair and transparent policies on the carrying of musical instruments on planes, something that is all too lacking at present. The UK Government has insisted on the removal of the clauses relating to musical instruments. Once the UK has left the EU, this will mean it will lose its influence over the Passenger Rights Directive, and may well see it adopted regardless of its objections.
- 4.12 The ABO has been working with European partners to ensure that a European Musical Instrument Passport is available for musicians which allows safe passage for instruments containing parts or products of species protected under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Whilst the EU certificate is valid and accepted by EU member states, Switzerland as a non-EU country has to operate its own certification system. The ABO would prefer that the UK remains within the European Musical Instrument Passport system, to avoid orchestras needing Musical Instrument Certificates when travelling from the UK to EU countries and vice versa.
- 4.13 The EU is working to ensure harmonisation of radio spectrum so that wireless microphones can benefit from stable and common frequencies, to prevent the need to change equipment when live performance companies cross Europe's borders. The ABO would prefer that the UK remains signed up to the EU's Radio Spectrum Policy.

5 Access to Finance

- 5.1 If Brexit results in a downturn to the UK economy, this is likely to have an impact on public spending, and we are nervous that further public spending cuts may need to be made. This would mean further reductions in funding for Arts Council England, local authorities and the devolved administrations, which would inevitably be passed on to arts organisations. Having already seen substantial cuts since 2010, this would put further pressure on ABO members and increase the likelihood of them sliding into deficit.

- 5.2 There may also be a negative impact on individual giving, corporate sponsorship and funding from trusts & foundations. All three sources of private funding rely on a benign economy and investment growth.
- 5.3 The slide in the value of the pound has had mixed consequences. While any ABO member in receipt of payment in euros or dollars for concerts abroad has seen an increase in the value of that payment, there are reports of agents seeking to negotiate increases in fees for conductors and soloists, as the value of payment in sterling for many artists living outside the UK has declined. This means that costs for concerts and productions are increasing, at a time of reduced income from public and private sources.
- 5.4 The EU has been an important source of funding through Creative Europe and other funding programmes. It is unclear whether UK organisations continue to be eligible for funding.

6 A Harmonised Europe

- 6.1 The UK's membership of the EU enables the ABO, as a member of Pearle, the federation of Europe's performing arts associations, to have influence over the implementation of common standards and directives that affect the live performance industry through membership of the Live Performance Sector Social Dialogue Committee. Should the UK leave the EU, the ABO and the Musicians' Union will lose their places on the committee. The ABO will need assurances as to what the UK Government's position on these common approaches and directives will be.
- 6.2 Examples are:
- Orchestras touring across Europe are subject to the EU Directive on Posted Workers and the 2014 Enforcement Directive. These will apply when touring into Europe regardless of the UK leaving the EU in March 2019. Pearle is concerned at the impact of the Directive on short-term visits by performing arts companies.
 - There is a common system of VAT across Europe. Cultural Exemption, which enables exemption from VAT on admission charges for cultural events is vital to ABO members.
 - The UK has implemented various EU Copyright Directives and has been engaged in the development of the Digital Single Market.
- 6.3 ABO members have been actively involved in the bids from UK cities to be European Capital of Culture in 2023. We urgently require clarification on the recent decision by the European Commission to exclude the UK from eligibility for Capital of Culture bids.
- 6.4 The UK Government has cited EU State Aid Rules as a reason for not being able to consider certain changes the ABO has requested to the operation of VAT and Gift Aid, which we and our colleagues in the performing arts believe would encourage individual giving. These include aligning the treatment of VAT with donor thresholds for Gift Aid, and enabling Gift Aid on the purchase of entry to performing arts events in the same way as admission to museums and other heritage attractions.

7 Conclusion

- 7.1 The ABO believes it would be in the best interests of British orchestras, and the wider classical music industry, to retain as much as possible the benefits of access to the European single

market and the customs union, to avoid additional cost and bureaucracy and to enable continued cultural exchange.

- 7.2 While we appreciate that the UK will be leaving the EU on 29 March 2019, we are concerned that the British government will no longer have influence over future European regulations, such as regulations relating to Posted Workers, as these may disadvantage our members when touring into Europe.
- 7.3 British orchestras need certainty as to the future relationship the UK will have with the EU after 29 March 2019, to enable recruitment and retention of EU nationals and forward planning on touring into the EEA.
- 7.4 Most importantly, the very survival of some orchestras will be put into question if there is a 'no deal' Brexit. Touring into the EEA has become intrinsic to the business model of British orchestras, and the additional costs associated with controls on borders and migration would price British orchestras out of a fragile marketplace.

APPENDIX I

BREXIT – the impact on UK conservatoires

1. European musicians make an inestimable contribution to the cultural and financial wellbeing of the UK, at both HE level and in the profession. The rich and varied traditions of musical training in EU countries adds to the quality of experience for UK students at our leading conservatoires.
2. Currently around 20%² of conservatoire students come from mainland Europe. These students bring their distinctive musical backgrounds and cultures, enriching the learning experience for everyone and enabling our home students to benchmark themselves against their European peers. They also help to create a vibrant and cosmopolitan ‘real-world’ learning environment, where life-long musical relationships and friendships are formed.
3. Many EU students return to their home countries after graduation, becoming powerful and persuasive advocates for the UK’s cultural and higher education sectors.
4. Adverse changes in the conservatoires ability to recruit the best European music students will have a significant detrimental effect on the recruitment of the most talented students from North and South America, the Pacific Rim, and the rest of the world.
5. Access to student loans is essential to attract EU students to the UK, especially when many come from countries where there are minimal tuition fees. This is a major factor for young musicians from Eastern Europe, where the economic climate makes it impossible for them to study overseas without support. Leaving the EU will, unless specific arrangements are made, not only make EU students ineligible for student loans but also require conservatoires to charge international fees, currently over £20,000 per year. The great majority of EU students will no longer be able to afford to come.
6. The EU-funded Erasmus programme facilitates staff and student mobility across Europe; something conservatoires would be unable to finance themselves. This reciprocal arrangement is an important and integral part of the overall UK offer.
7. As leading international conservatoires, we are proud of our world-class teaching workforce. Many EU tutors travel to the UK weekly to work with our students, others are EU citizens who are UK based, many working for our principal orchestras. The input from EU teachers is vital in supporting UK students who wish to establish careers in mainland Europe. This contributes significantly to the conservatoires impressive graduate employment rates, typically 97%-100%³. EU citizens currently account for around 10%⁴ of total conservatoire staff, with the EU proportion of teaching staff being considerably higher.
8. In addition to international teaching expertise, we offer hundreds of students each year the opportunity to undertake placements with leading professional ensembles across Europe. These placements are life-changing and often a catalyst for future employment.

² HESA data 2017

³ DLHE 2015-2017

⁴ HESA data 2017

9. UK conservatoires enjoy active working relationships with peer institutions throughout Europe and are all active members of the Association of European Conservatoires as a means to share best practice.
10. UK student ensembles are regularly invited to perform at major festivals and conferences across the EU. Ease of travel, and access to budget flights, is essential if these opportunities are to continue to be realised.
11. In terms of conservatoires financial health, removing the financial support available to incoming EU students, and limiting the free movement of musicians within Europe, would present significant challenges. It would also be hugely disadvantageous to the increasing number of talented young UK graduates from our leading conservatoires who aspire to international careers.

Cynulliad Cenedlaethol Cymru / National Assembly for Wales
Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu / The Culture, Welsh Language and Communications Committee
Ymchwiliad byr i oblygiadau ymadael â'r Undeb Ewropeaidd / Short inquiry into the implications of Brexit
CWLC(5) BREXIT04
Ymateb gan Cenedlaethol Cwmni Dawns Cymru / Evidence from National Dance Company Wales

1. Introduction

National Dance Company Wales (NDCWales) is grateful for the opportunity to provide a written submission to the Committee for its short inquiry into the implications of Brexit.

This is especially relevant to NDCWales given the growth in our European touring over the past two years, the number of EU nationals who are part our performing group, and the Company's ambitions to create work in collaboration with European partners.

NDCWales is a member of One Dance UK, the industry body for dance, whose report into the impact of Brexit on the dance sector, 'Movement Beyond Borders – The UK Dance Sector Outlook on Brexit', is an excellent summary of the key issues. It can be accessed here: <https://www.onedanceuk.org/wp-content/uploads/2018/08/Movement-Beyond-Borders-Brexit-report-Aug18-180820.pdf>

2. NDCWales – our aims

NDCWales is an internationally renowned contemporary dance company based in Cardiff, creating and touring dance works across Wales, the wider UK, and overseas. It commissions choreographers from around the world to create work in Wales. Around two-thirds of its touring is in Wales, across small and middle scale venues, enabling audiences to access high quality dance. The remainder takes place in the rest of the UK and internationally, with around 15–20% of all touring dates taking place in the EU.

Our current focus is on developing new audiences and expanding the range of audiences that experience and enjoy dance in Wales, and beyond. To achieve this, we are diversifying the creation and touring model to reach a wider range of venues and audiences with different types of dance.

However, performing dance is only a part of our offer. We also deliver a range of participation opportunities in dance, to increase people's well-being, learning ability, self-confidence and means of expression.

3. NDCWales – Workforce

Currently 50% of the dancers in the Company of NDCWales are EU nationals (from outside the UK). The mix of British and European dancers is critical to maintaining the range of skills required by the Company to deliver our work. There is a paucity of dance training in Wales of the kind required to develop dancers for companies like NDCWales, and there are limited British schools offering training of the standard required. Traditionally the best Welsh and British dancers have trained overseas.

Restriction of movement of people and goods would limit the ability for dance companies to tour, generate revenue and attract talent. Smaller companies, artists and individuals who frequently engage with European partners would also suffer.

The Company would advocate for Welsh Government (WG) to collect data on labour movement in the arts sector from the EU in Wales. A quick and easy no-cost or low-cost, long duration, multiple-entry visa or work permit arrangement for creative and cultural workers would ensure continued free movement of creative workers. This could be based on the permit-free festivals model.

We would also advocate for investment in dance education now to foster future generations of Welsh dancers to be able to perform at the highest levels. This includes not only vocational training and further/higher education but also embedding and recognising the value of creative and artistic subjects in Welsh schools.

4. Touring

Touring income is vitally important to NDCWales, and to many dance and arts companies in Wales. The nation has an international profile which has significantly benefited the brand and reputation of Wales, as well as helping to diversify income.

NDCWales earns between £60,000 and £100,000 per year in touring fees within the EU. This income and the brand benefits are in jeopardy if the ability to tour without restriction is removed. Companies are currently able to provide Certificates of Fiscal Residence to EU hosts, avoiding any double-taxation or withholding tax.

European touring is more attractive and lucrative for Welsh companies because sets and costumes can travel by road, keeping shipping costs low, and no further customs documentation or levy is required. The necessity for customs clearance procedures would slow the process and increase costs of touring in the EU which would be likely to reduce the amount of touring, its financial viability and the amount earned.

5. Collaborations and access to EU funding

NDCWales is establishing connections with a range of EU-based agencies, venues and artists, with whom it collaborates. One of the key ways in which companies like NDCWales have enabled and developed links is via European funding schemes, such as Creative Europe, Horizons 2020, Erasmus+, Tandem and many others. These schemes have enabled Wales' arts and cultural sector to create distinctive and ambitious artistic projects, engage with the wider world, export and generate income.

WG could ensure continued participation for Wales in all major EU funding schemes, including influencing the future development and evolution of these programmes itself. Given the devolved nature of culture and education matters, WG could do this even if the UK government does not wish to continue full participation in these programmes.

The possible impacts of Brexit on the areas within the committees' remit in Wales are far-reaching and long-lasting. Much will depend on the terms of the withdrawal from the EU and what/if a deal can be agreed. We are certain that a no deal Brexit would be deeply damaging to the areas of concern for this inquiry and would leave Wales financially worse off, more isolated from the rest of the world and culturally poorer. Restricting freedom of movement to and from the EU would make many cultural exchanges, projects and activities burdensome and difficult, and especially smaller organisations might no longer be able to take part in these.

Literature Wales attended the 'Moving Beyond Brexit: Uniting the Cultural and Creative Sectors' workshop in Brussels at the end of September (organised by British Council, the European Cultural Foundation and BOZAR Centre for Fine Art in Brussels). This expert workshop made specific recommendations for UK policy makers with regards to the implications of Brexit on the arts and cultural sector. These are all relevant and of interest to this inquiry and are available here:

<https://www.culturalfoundation.eu/library/moving-beyond-brexit-uniting-cultural-and-creative-sectors>

Drawing on these recommendations, there are equally three particular areas Welsh Government should carefully consider and plan for:

1. Funding & Partnerships

- Any restrictions to access and full participation in European funding schemes (from Creative Europe, Horizons 2020, Erasmus+, Tandem and many others) would limit Wales' ability to engage with the wider world, bring talent to Wales, export its arts and culture, research and education sectors and severely limit its ability to generate income and maximise opportunities for growth.

- Limiting access to long-established European networks and funding programmes in the culture, education and research sectors would isolate Wales further, damage its ability to perform and deliver and would likely stop new opportunities in culture, creative industries, film and TV and limit Wales' global reach. It would make Wales less visible to the rest of the world, at a time when more should be done to raise visibility and awareness for Wales and the Welsh language (compare British Council Wales' report on *Wales Soft Power Barometer 2018*:

https://wales.britishcouncil.org/sites/default/files/wales_soft_power_barometer_2018_0.pdf)

Recommendations for WG

- The UK should guarantee continued participation in these schemes, plan contingencies for existing projects in case of a no-deal Brexit and ensure visa/work permit exceptions are devised for participants in such schemes, if necessary.
- WG should ensure continued participation for Wales in all major EU funding schemes, including influencing the future development and evolution of these programmes itself.
- Given the devolved nature of culture and education matters, WG should and could do this even if the UK government does not wish to continue full participation in any or all of these programmes and should carefully plan and explore the implications of such a scenario. For instance, if the UK wishes to leave Creative Europe as an active participant, Wales could remain, but this might have costly financial implications. Such scenarios should be considered carefully by WG.

2. Mobility

- Restriction of movement of people and goods would limit the ability for major companies to tour, generate revenue and attract talent.

Smaller companies, artists and individuals who frequently move around and engage with European partners would also suffer.

Recommendations for WG

- There is no comprehensive data on the movement of labour in the arts and cultural sector from/to the EU in Wales. This should be gathered as a matter of urgency. How many people, projects, partnerships would be directly affected?
- Welsh Government should collate this data, make the results public and plan to mitigate as much as possible against restrictive administrative procedures.
- Creative expression defines our nation and arts, culture and language make us who we are. WG should clearly state its intention and desire to work with EU partners in areas of concern for this enquiry, should champion internationalism and send clear signals to EU residents here that they continue to be welcomed (and should position itself in opposition to the UK government's stance, if necessary).

3. Legal issues

- Specific consideration should be given to copyright law, standardisation, competition law, workers' rights in the arts and cultural sector and recognition of professional and academic qualifications.

Recommendations for WG

- (See recommendations from the 'Beyond Brexit' workshop: <https://www.culturalfoundation.eu/library/moving-beyond-brexit-uniting-cultural-and-creative-sectors>)

Culture, Welsh Language & Communications Committee

Thursday 18th October 2018

Implications of Brexit on areas within the Committee's Remit.

Evidence Paper - Minister for Culture, Tourism and Sport

The culture sector makes a significant contribution to the Welsh economy, contributing to inclusive economic growth as set out in the **Economic Action Plan**, helping to reduce inequality and contribute to our goals in the **Future Generations of Wales Act**.

It is currently impossible to quantify the socio-economic and broader implications of leaving the European Union.

Among some of the obvious consequences are:

- **Loss of funding for major projects** – there has been a significant level of EU support for major cultural and heritage facilities in Wales over the past ten years including over **£74m for heritage projects** such as the iconic and breathtaking investment in Harlech Castle;
- **Loss of funding for collaborative projects** which will affect sector bodies, universities and others, and for **skills development**, particularly in creative industries;
- **Impact on the sector markets** – Welsh artists and others rely on the ability to showcase their offer internationally, whilst 45% of cultural industries export to the EU. Major cultural industries report that they are likely to leave the UK if there is no deal which will in turn impact on local creative businesses
- **Regulatory impact** - the biggest impact is likely to be on digital records, intellectual property and copyright. The EU does not regulate the historic environment and although there are some implications for cultural property we are not facing the same scale of legal or regulatory challenges as for example, the natural environment
- **Potential impact of financial volatility** (such as the value of the pound) – impossible to quantify but potential increased costs for example paper costs for publishers have already risen by 25%.

The Welsh Government as a whole has been clear and consistent in its six priorities:

- Continued full and unfettered access to the Single Market and participation in a Customs Union to protect the 60% of Welsh exports that go to the EU and to retain and increase job-creating investment.

- A new migration system that links migration more closely to employment so we can recruit the doctors, nurses, engineers and other workers we need, while protecting employees from exploitation.
- Wales not to lose a penny of funding due to Brexit as promised during the referendum.
- A fundamentally different constitutional relationship between the devolved governments and the UK Government – based on mutual respect. No claw back of devolved powers to Whitehall.
- Maintaining the current social and environmental protections, including workers' rights.
- The vital importance of a transition period to avoid a 'cliff edge'.

In relation to culture our strategy has therefore been to:

- **engage with organisations** in the sector to understand the impact of Brexit, get intelligence on their experiences and work together to prepare for the practical implications of leaving the EU'
- **work with agriculture and across Welsh Government** to ensure culture, heritage and historic environment are taken into account in new arrangements
- **develop new networks** and relationships both in Europe and around the world to promote culture in Wales, working with the British Council, the European Heads of Heritage forum and others;
- Liaise with the **UK Government DCMS** in relation to cultural property regulations and new statutory instruments
- Work collaboratively, within Welsh Government and with our stakeholders and partners to **raise the international profile of Wales**

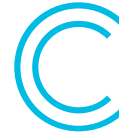
Each of the individual bodies in the sector including the Arts Council, Amgueddfa Cymru/the National Museum, the National Library and the Royal Commission on the Ancient and Historical Monuments in Wales has also been working to explore new sources of funding and to maintain existing, and build new, networks.

Whilst Tourism does not fall within the remit of the committee, it is worth noting that our **major tourism marketing campaigns** and activities also play a critical role in helping us to continue to build the visibility and reputation of Wales internationally. There is the potential to harness our defining creative, cultural and sporting exports to build Wales brand in key markets such as Germany, Spain and the USA as well as emerging markets such as China, India and Japan in a post-Brexit context.

Of course, we are not considering the impact on the culture sector in isolation. A cross-departmental Welsh Government European Transition Officials Group (**ETOG**) supports the Cabinet Sub-Committee on European Transition. ETOG sub-groups have also been established as needed, for example on Brexit-related legislation, UK frameworks, preparedness, economic considerations, communications and on funding. We also engage with a range of stakeholders and inter-governmental forums. This joined up and collaborative approach has enabled the Welsh Government to be on the front foot in responding to the decision to leave the EU and allowed us to contribute constructively to discussion and debate in order to influence UK Government positions, and to provide robust proposals for the future based on strong evidence.

Meri Huws
Comisiynydd y Gymraeg
Welsh Language Commissioner

01/10



Comisiynydd y
Gymraeg
Welsh Language
Commissioner

The Culture, Welsh Language
and Communications Committee

08/10/2018

Short inquiry into the implications of Brexit on areas within the Culture, Welsh Language and Communications Committee's remit

Thank you for the opportunity to respond to your inquiry. I would like to emphasise the following points:

- We do not yet know what the relationship between the UK and the EU will be following March 2019. The lack of clarity in this regard makes it difficult to predict the possible implications of Brexit for various policy areas, including the Welsh language. However, it is fair and appropriate to draw attention to risks and challenges that could arise as a result of the process.
- The risks for Welsh speakers and Welsh-speaking communities as a result of the UK's exit from the European Union are a cause for concern. Among other implications, Brexit could:
 - impact on the provision of programmes and projects in Wales that are fundamental to creating skilled bilingual workforce and supporting the use of Welsh in the community and in business (section 3);
 - impact on economic sectors that are important to Welsh speakers and to a large extent sustain Welsh-speaking communities, including agriculture and post-16 education (section 4);
 - prevent Welsh speakers from benefiting from European initiatives supporting cultural and linguistic diversity (section 5);

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- undermine the respect for minority communities in Britain, including linguistic communities, and marginalise their voice in public life (section 6).
 - impact on the human rights regime in the UK, with possible effect on linguistic rights as well (section 7)
- Of the aspects above, so far the Welsh Government has dedicated some attention to the effect of Brexit on the Welsh language in the context of the agriculture sector. However, there has not been so much attention to its other possible implications.
 - It is absolutely essential that Brexit does not undermine the efforts to create more Welsh speakers or to increase the use made of the Welsh language. In order to protect the Welsh speakers, the Welsh Government must dedicate attention to the possible implications of Brexit for the Welsh language also beyond the agriculture sector; and make plans as a matter of urgency to mitigate any detrimental effects.

1. The context of this response

The principal aim of the Welsh Language Commissioner is to promote and facilitate the use of the Welsh language. In doing so the Commissioner seeks to increase the use of the Welsh language with regards to the provision of services, and via other opportunities. In addition, she will also address the official status of the Welsh language in Wales and, by imposing standards, place statutory duties on organisations to use the Welsh language. One of the Commissioner's strategic aims is to influence the consideration given to the Welsh language in terms of policy development, as is the case here. Further information on the Commissioner's work can be found on the website www.welshlanguagecommissioner.wales.

2. Opening remarks

With six months separating us from the date set for Brexit, we still do not know what the future relationship between the UK and the EU will be. The lack of clarity in this regard makes it difficult to predict the possible implications of Brexit for various policy areas, including the Welsh language. However, it is fair and appropriate to draw attention to risks and challenges for the Welsh speakers that could arise as a result of the process.

Over the recent year, I contributed comments in response to several consultations relevant to this issue. These include:



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- External Affairs and Additional Legislation Committee [Inquiry 'Resilience and preparedness: the Welsh Government's administrative and financial response to Brexit'](#) (November 2017);
- The Finance Committee [Inquiry into preparations for replacing EU funding streams in Wales following the UK's exit from the EU](#) (May 2018)
- The Climate Change, Environment and Rural Affairs Committee consultation [UK Common Frameworks on agriculture and environment](#) (May 2018)
- Children Young People and Education Committee consultation [Impact of Brexit on Higher and Further Education](#) (June 2018)

These comments consider primarily the effect of Brexit on the economy. I will summarise the main points below, but I also encourage the Committee to consider the comments above in full if possible.

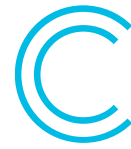
3. The impact of Brexit on specific economic programmes and projects

There are examples of European funding being utilised to support specific programmes and activities with potential to combine economic and linguistic benefits. These include training programmes contributing to creating skilled bilingual workforce; and projects supporting the use of Welsh in the community and in business by capitalizing at the same time on the language as an economic asset. These examples include:

- 'Skills for the Digital Economy' programme, that is a £4.38 million initiative delivered between 2011 and 2015 with the financial assistance of the European Social Fund, offering training in the creative field in order to promote a competitive industry in Wales.¹ The project set a target of 20 per cent participation by Welsh speakers.²
- Urdd Gobaith Cymru programme 'Routes to the Summit' which operated between 2009 and 2013 with financial support of the European Social Fund, and aimed to give opportunities to young people to develop skills connected to the workplace,

¹ Interim evaluation of the Skills for the Digital Economy programme (10 January 2013) <http://gov.wales/funding/eu-funds/previous/project-evaluations/digital-economy/?skip=1&lang=en>. Arad Research was commissioned to produce a final evaluation but we have been unable to find a public version of the document: <https://arad.wales/project/creative-skillset-cymru-final-evaluation-of-the-skills-for-the-digital-economy-programme-2015/>

² Creative Skillset, Diversity and environmental sustainability http://creativeskillset.org/nations/wales/skills_for_the_digital_economy/diversity_and_environmental_sustainability



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support their personal and social development, and help them develop through the medium of Welsh in their local communities.³

- success of Menter Iaith Conwy in attracting a grant of £85,000 to create a Welsh-medium nursery in Llandudno Junction.⁴
- success of Four Cymru to attract financial support from European Agricultural Fund for Rural Development to deliver project 'Welsh Medium Labour Market', in partnership with Mentrau Iaith Cymru. The aim of this project is to 'develop the Welsh language as an economic catalyst to develop and revitalise the Rural Wales'.⁵

4. The impact of Brexit on the economic sectors of particular importance for the Welsh speakers

Several reports explain the connection between economy viability of Welsh-speaking communities.⁶ Brexit could impact on the economic sectors which are important for employment of Welsh speakers and which to a large extent sustain Welsh-speaking communities.

We know from the 2011 Census and further research⁷ that agriculture, hospitality and food services are amongst the sectors with high numbers and percentages of Welsh speakers.⁸ As the Welsh Government recognises, these are the areas of employment that support communities in rural areas where the percentages and numbers of Welsh speakers are high traditionally but where they have decreased over the last decade.⁹ EU support for these sectors is far-reaching. In June 2017 the EU Select Committee in the House of Lords was warned of the possibly 'destructive' impact that Brexit could have on

³ <http://www.urdd.org/cms/llwybrau> [publication in Welsh only].

⁴ BBC, Effaith y refferendwm ar fudiadau sy'n hybu'r Gymraeg (5 Gorffennaf 2016) <http://www.bbc.co.uk/cymrufyw/gwleidyddiaeth-refferendwm-ue-36707297> [publication in Welsh only].

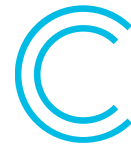
⁵ <http://four.cymru/wordpress/wp-content/uploads/2017/09/Marchnad-Lafur-Cymraeg.pdf>

⁶ For arguments on the relationship between the Welsh language and the economy, see, for example, [Increasing the Number of Communities where Welsh is the Main Language](#) (December 2013); [Report of the Task & Finish Group on Welsh Language and Economic Development](#) (January 2014); Bangor University, *Using Welsh within the Community. Research Study* (October 2015); Report of the Working Group on the Welsh language and Local Government [Language, work and bilingual services](#) (June 2016); A report by the Census Working Group to Carmarthenshire Council, *The Welsh language in Carmarthenshire* (March 2014) Welsh Language Commissioner, *The Potential of the Welsh Language to Contribute to realising the aims of the European Funding Programmes 2014–2020*; Mentrau Iaith Wales, [Cynllun Marchnad Lafur Cyfrwng Cymraeg](#); *Iaith Pawb: A National Action Plan for a Bilingual Wales* (2003); *A Living Language: A Language for Living - Welsh Language Strategy 2012-17* (March 2012); *A living language: a language for living – Moving forward* (August 2014); *Cymraeg 2050: A Million Welsh speakers*(2017).

⁷ Welsh Government, *Welsh language skills needs in eight sectors* (2014).

⁸ The industries with the highest percentage of workers who are Welsh-speaking are agriculture, energy and water (29.5 per cent). High numbers and percentages of Welsh speakers are also employed by the distribution, accommodation and food services industry – approx. 44,000 or 15 per cent of the sector's workforce. <http://gov.wales/docs/statistics/2013/131129-welsh-language-labour-market-en.pdf>

⁹ *Cymraeg 2050: A Million Welsh speakers*(2017), p. 16.



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economically vulnerable rural communities, which are also strongholds of the Welsh language.¹⁰

Other sectors of the economy are likely to be affected as well. For example, the creative sector benefited in the past from financial support from the EU's MEDIA programme and more recently Creative Europe in order to support the production of 'Hinterland'.¹¹

Another sector deserving attention in this context is post-16 education. The sector is central in the efforts to create a capable bilingual workforce. At the same time, the post-16 educational institutions make a significant contribution to the local economy. Currently, these institutions benefit from far-reaching financial support from Brussels, including through programmes such as Horizon 2020 to support research and innovation; the Structural Funds for various training programmes; and Erasmus+ to support the exchange of students and staff with educational institutions abroad. Since 2014, over £40 million has been awarded to institutions in Wales through Erasmus+ and over 7000 individuals have benefitted from this support.¹² One specific example could be the success of CollegesWales to attract the Erasmus+ funds to support practitioners from the post-16 sector in Wales to travel to the Basque Country and Catalonia in order to develop a better understanding of bilingual education in these contexts.

As I noted elsewhere, in general the use of the Welsh language in post-16 education is low.¹³ Since there is no certainty as to the long-term future of the current funding streams in the post-16 sector, there is a risk that Brexit could reduce the financial opportunities available to educational institutions in the FE and HE sector. This, in turn, could undermine opportunities for Welsh speakers in these sectors. There are also challenges unique to Welsh-medium provision. Due to the lower numbers who are inevitably likely to study Welsh medium higher education courses, Welsh modules tend to cost more per head to offer. This was the interpretation of a [report by the London School of Economics](#) for HEFCW in 2006. While these findings were made in relation to the situation in the HE sector, it can be assumed that they are also relevant to the FE and WBL sectors. If so, I am concerned that the Welsh-medium provision could come under disproportionate strain if the funding opportunities in all these sectors are reduced

5. The impact of Brexit on opportunities for Welsh speakers at the European level

The EU is also an important platform for speakers of a variety of minority languages to work together and benefit from financial and political support.

¹⁰ House of Lords, EU Select Committee, Brexit, [Brexit: devolution](#) (June, 2017) p.32.

¹¹ BBC, Hinterland shows Wales way for more EU funding (16 Gorffennaf 2014), <http://www.bbc.co.uk/news/uk-wales-28313857>

¹² <https://www.erasmusplus.org.uk/results-and-statistics>

¹³ See the Commissioner's Five Year Report:

<http://www.comisiynyddygymraeg.cymru/Cymraeg/Work%20Pages/Adroddiad%205-mlynedd%20-%205-year%20Report.pdf>



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The EU is committed to raising awareness of the value of linguistic diversity; encouraging the breaking down of barriers that prevent intercultural dialogue; and supporting the principle that every citizen should master two languages as well as their mother tongue.¹⁴ In 2013, the European Parliament adopted a [resolution](#) on linguistic diversity and endangered languages within the European Union - the latest step in a series of resolutions, action plans and strategies on this subject.¹⁵ Lesser used languages are also promoted through events such as the [European Day of Languages](#).

In addition, the EU supports language research as well as specific projects that focus on promoting multilingualism. For instance, in 2017, one of the European Parliamentary committees commissioned a [study](#) 'Minority Languages and Education: Best Practices and Pitfalls', that considers the situation of minority languages based on 13 case studies. The EU also supports the European Centre for Modern Languages (ECML) and NPLD (Network to Promote Linguistic Diversity). Between 2013 and 2016 the EU funded [LEARNMe](#) (Language and Education Addressed through Research and Networking by Mercator) was jointly introduced by six research centres across Europe, including Mercator, the Institute for Media, Languages and Culture at Aberystwyth. Promoting linguistic diversity and language learning are amongst the main aims of the Erasmus+ programme.

Brexit may prevent Welsh speakers from benefitting from European initiatives that promote linguistic and cultural diversity.

6. The impact of Brexit on attitudes towards minorities

In a lecture on 18 March 2018¹⁶ Emyr Lewis suggested that there was an element of xenophobia linked to the vote to leave the EU; and that there was a danger that Brexit would lead to the marginalisation of minority communities in political debate, thus undermining respect towards them.

We cannot ignore this argument in the context of the consistent evidence that shows a significant increase in the number of hate crimes since the Brexit vote. There was a 41 per cent increase in the number of these crimes reported in July 2016, compared with

¹⁴ [COM\(2008\) 0566](#)

¹⁵ For example: ([COM\(2003\) 0449](#); [COM\(2005\) 0596](#)).

¹⁶ <http://gwallter.com/politics/wales-and-brexit-by-emyr-lewis.html>



July 2015.¹⁷ There was a 29 per cent increase in the number of these crimes reported in 2016/17 compared with the previous year.¹⁸

Neither can we ignore this argument in the context of the derogatory comments aimed at Welsh speakers, such as those in the article of the columnist Rod Liddle, on Wales in April this year.¹⁹ Although it is important to respect the freedom of expression on various subjects, the increase in the derogatory comments on Wales, the Welsh language and its speakers, is of grave concern. Over the past months we have seen a number of situations where people are belittled - and this is totally unacceptable.

Although there is no firm research linking such comments with Brexit, I am of the view that the current social climate following the vote is creating an environment favourable to the proliferation of attitudes such as these.

I am in discussions with individuals and groups regarding this issue in order to explore how we can move the agenda forward. Amongst the options, I believe that there is a need to consider legislation to protect rights and prevent hate towards the language.

7. The impact of Brexit on the rights system in the UK, including language rights

Finally, Brexit could affect the system in place in the UK to protect fundamental human rights. Although the possible impact on individual's language rights appears to be comparatively limited at present, there is a need to carefully monitor the debate as it develops on the future of the 1998 Human Rights Act and the plans to introduce a British Bill of Rights in its place.

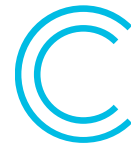
The language rights of Welsh speakers derive from several sources. On an international level, the UK is bound by the European Convention on Human Rights (ECHR); the EU Charter of Fundamental Rights (EUCFR); the European Charter for Regional or Minority Languages (ECRML); and the Council of Europe's Framework Convention for the Protection of National Minorities (FCPNM). On a UK level, some of the ECHR's articles were incorporated into British law through the Human Rights Act 1998. On a national level, we have the Welsh Language (Wales) Measure 2011.

- The ECHR (article 14) and the Human Rights Act 1998 prohibit discrimination based on language. The ECHR derives from the Council of Europe, and is enforced by the European Court of Human Rights in Strasbourg. However,

¹⁷ <https://fullfact.org/crime/hate-crime-and-eu-referendum/>

¹⁸ <https://fullfact.org/crime/hate-crime-england-and-wales/>

¹⁹ <https://www.bbc.co.uk/cymrufyw/43697936>



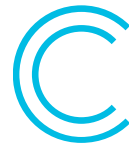
following the introduction of the 1998 Act, it is possible to seek justice for the breach of this right in British courts.

It's important to emphasise that the 1998 Act does not protect from discrimination in all areas. To exercise this right, individuals must demonstrate that the discrimination has affected their enjoyment of one or more rights within the Act. There is other legislation that offers more general protection, such as the Equalities Act 2010. However, language is not a protected characteristic under the 2010 Act.

- The EUCFR also prohibits language discrimination, and establishes the duty of the Union to respect linguistic diversity. The EUCFR originates from the European Union and is policed by the Court of Justice of the European Union (CJEU).
- The Welsh language, Scottish Gaelic and Irish are protected under Part II and some specific articles under Part III of the ECRML.²⁰ The Charter commits the UK to taking active steps to protect and to act for the benefit of those languages.²¹ A specific committee within the Council of Europe monitors that the ECRML is implemented in practice, based on periodic reports and visits to the member-states. They may make recommendation but cannot enforce them.
- Under FCPNM, Britain is bound by a duty to protect the use of minority languages in public and privately, and also, under specific conditions, in relation to public authorities. The methods of policing the FCPNM are similar to those of the ECRML.
- Finally, the Welsh Language (Wales) Measure 2011 established new rights and freedoms for Welsh language users. The Commissioner imposes Welsh language standards on organisations, which is a list of the things they must provide and undertake through the medium of Welsh. These standards create rights for individuals. The Measure also establishes the freedom to use the Welsh language with others in Wales. The Welsh Language Commissioner is responsible for regulating compliance with the requirements of the Measure.

In light of the above, Brexit may impact on the avenues available to Welsh speakers in seeking justice for breach of their rights; and the level of rights and protections available to them.

²⁰ 52 for the Welsh language, 39 for Scottish Gaelic and 36 for Irish
²¹ https://www.coe.int/en/web/conventions/full-list/-/conventions/treaty/148/declarations?p_auth=adpW1NPI



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The EU (Withdrawal) Act 2018 provides for the removal of the EUCFR from UK law. Also, according to the Act, after Brexit, the CJEU will have no role in interpreting new laws, and courts will not be required to consider CJEU case law in future. This means that individuals seeking to challenge discrimination on the basis of language will lose one avenue of appeal.²²

At the same time, the protections based on ECHR, ECRML and FCPNM will continue. These are Council of Europe frameworks and the UK will continue to be part of the Council after Brexit. Also, article 14 of the EHRC, will continue to be part of British law through the 1998 Act. The protections that originate from the Welsh Language (Wales) Measure 2011 will also continue.

However, it should be noted, that the future of the 1998 Act is uncertain. In 2014, the Conservative Party proposed that the Act be repealed thus ending the authority of the European Court of Human Rights authority in determining rights in Britain.²³ At the same time an intention was noted to introduce a British Bill of Rights to replace the 1998 Act. There have since been some suggestions since that these proposals are still being considered.²⁴

If so, this debate must be carefully monitored, together with any possible impact on language rights in Britain. Certainly, no changes should undermine or weaken the rights of Welsh speakers. At the same time, the protections under the 1998 Act are limited, and it is not possible to enforce recommendations based on the ECRML and the FCPNM monitoring work. Language is not a protected characteristic under the Equality Act 2010. Perhaps we therefore have an opportunity to revisit how the present system defines and protects the rights of Welsh speakers.

8. The Welsh Government response to date

I welcome the commitment by the Welsh Government to protect the rural heartlands of the Welsh language from any possible adverse effects of Brexit on the farming sector²⁵ - and also in response to a recent recommendation from the Climate Change, Environment and Rural Affairs Committee.²⁶ I look forward to seeing more specific plans from the Government as to how it will manage and alleviate the effect of Brexit on the Welsh language in the sector. In this respect, I think that the current Government

²² This is consistent with the EHRC and other's assessment of the wider implications of losing EUCFR:

<https://www.equalityhumanrights.com/en/our-human-rights-work/what-does-brexit-mean-equality-and-human-rights-uk>

²³ 'Protecting Human Rights in the UK',

²⁴ E.g. On 25 April 2016, Theresa May [stated](#) that she would like Britain to leave the ECHR but stay as a member of the EU. [Liz Truss](#) stated on 22 August 2016 that the Government continued in its wish to introduce the Bill, but no timetable was given.

²⁵ *Cymraeg 2050: A Million Welsh Speakers* (2017), p. 62.

²⁶ National Assembly Wales, The Climate Change, Environment and Rural Affairs Committee, '[Common frameworks for the environment following Brexit](#)' (July 2018)



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consultation 'Brexit and our Land' provides a golden opportunity to establish the direction and basic principles for these plans.

At the same time, there has not been much consideration to other possible implications of Brexit for the Welsh language. As the process of leaving the EU proceeds, it is imperative in my view, that due attention is given to its impact on the Welsh language in all aspects of the Government's work.

9. Conclusion

It is vital that Brexit does not undermine the efforts to create more Welsh speakers or to increase the use made of the Welsh language. In order to protect Welsh speakers, the Welsh Government must consider the possible implications of Brexit on the Welsh language on a wider level beyond the farming sector; and put in place urgent plans to mitigate any adverse impact.

I trust the above comments will be useful to you.

Yours sincerely,

Meri Huws

The Welsh Language Commissioner

Cynulliad Cenedlaethol Cymru / National Assembly for Wales
Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu / The Culture, Welsh Language and Communications Committee
Ymchwiliad byr i oblygiadau ymadael â'r Undeb Ewropeaidd / Short inquiry into the implications of Brexit
CWLC(5) BREXIT08
Ymateb gan Amgueddfa Cymru / Evidence from Museum Wales

AMGUEDDFA CYMRU: CURRENT RELATIONSHIPS WITH THE EU AND FUTURE IMPLICATIONS

1. Funding from EU Sources for Cultural Projects

As a research institution, Amgueddfa Cymru has been increasingly seeking external sources of research funding. There have been numerous successes. Given that here in Wales, EU funding is 2/3 of total R&D funding, the loss of this could have direct implications for Amgueddfa Cymru. This includes:

We may lose access to EU funded training grants from which we presently benefit (e.g. ILM Level 3 Coaching and Mentoring).

We were partners with 11 other open air museums and related organisations from 2011–2015 in the EU Culture funded 'OpenArch' project". The grant allocation to AC–NMW was circa 110,000 euros.

We are currently partnered with Jamtli Museum, Östersund, Sweden in an EU–funded ERASMUS 'Sharing and Learning' project (£11,932); as part of this, we have also secured funding for partnership with the Nordic Centre of Heritage Learning and Creativity on a 'Lifelong Learning' project (€1,600)

The National Waterfront Museum in Swansea and St Fagans are associate partners in two INTERREG bids (in–kind support) through our partnerships with Swansea University and Cardiff Metropolitan University – 40k euros and 10k euros

We also receive European Science Foundation funding for natural sciences research/dissemination (14,000 Euros).

We have a long term partnership with Szentendre Open Air Museum in Hungary: Benefits include St Fagans running a staff–exchange programme with Szentendre since the 1980s. It is based on an informal agreement and costs are covered from revenue budgets.

2. Involvement with Formal or Informal European Cultural Networks

We are (as noted above) members of the OpenArch project – a partnership with 11 other open-air museums and related organisations (2011–2015): Through this:–

- Around 25 members of staff gained experience of different ways of working through visiting other organisations, leading to tangible changes in working practices.
- We received expert guidance from international professionals on how we could problem solve some of our new projects, notably Bryn Eryr.
- We have been invited into follow-on grant applications.
- We hosted an international conference linked to a large public event which showcased Welsh culture and expertise to around 90 heritage professionals

We are a member of the Network of European Museum Organisations (NEMO). NEMO is an independent organisation made up of members of the Council of Europe – so we may well be able to stay as an associate member after Brexit as a non-member of the EU – however, the relationships, potential of going for joint funding in partnership for EU grants that come from being part of this community will be limited and changed. In addition, NEMO's purpose is to connect European museums and their organisations to help to ensure their place in the cultural development of Europe and fostering policy by promoting their importance to European policy makers. This then could impact on joint lobbying for shared cultural policy and also limit our ability to influence or participate in existing European cultural policies other than national ones.

We are also a member of the Learning Museum Network (LEM).

We have long term relationships with museum professionals in the following countries:

- * Austria (Directorate, Collections)
- * Belgium (Collections)
- * Bulgaria (Collections)

- * Croatia (Directorate, Collections)
- * Czech Republic (Collections)
- * Denmark (Directorate, Learning, Collections)
- * Estonia (Collections)
- * Finland (Collections)
- * France (Directorate, Collections)
- * Germany (Collections)
- * Greece (Directorate, Learning, Collections)
- * Hungary (Collections)
- * Ireland (Directorate, Collections)
- * Italy (Directorate, Collections)
- * Luxembourg (Collections)
- * Netherlands (Collections)
- * Poland (Directorate, Collections)
- * Portugal (Directorate, Collections)
- * Romania (Collections)
- * Slovakia (Collections)
- * Slovenia (Collections)
- * Spain (Directorate, Collections)
- * Sweden (Directorate, Learning, Collections)

3. Employment of Other EU Nationals

We employ specialists from the following EU nations:

- * Danish – 1 (Finance)
- * French – 2 (Development, Collections)
- * German – 3 (Collections)
- * Irish – 2 (Director General, Collections)
- * Polish – 1 (Front of House)

4. How and Why Connections with Other EU Countries are Important for our Work

Our collections are rich in European natural sciences specimens and works of art – such as Impressionist and Post-Impressionist paintings – and we are dependent on partnerships with museums and universities in European countries to help us to interpret them and our historical and archaeological collections. Our expertise in museology and cultural learning is recognized beyond the UK and links with us are increasingly sought by European colleagues.

5. An Assessment of the Implications of Brexit and Mitigations

There is uncertainty over the position of EU nationals currently working for us. We attract applicants from all over Europe to our job adverts, and have filled roles (especially specialist scientific and curatorial positions) with EU nationals. We may not be able to attract the best talent.

We risk increased isolation from best museological and scientific research and practice; we are already detecting a loss of influence and resources as we get fewer invitations to participate in European projects.

The cost of services and products from European suppliers (such as the high quality display cases we are currently purchasing from Belgium) for St Fagans was up to 20% higher, because of the depreciation of the pound against the Euro.

6. The importance of Free Movement, and Issues re Travel/Visa/Work Permits

The costs of borrowing are carried by the borrowing institution, so fortuitously any additional costs would fall to them. The only costs we currently cover are visas (eg \$14 for an ESTA for the US valid for two years) and training to become a 'known consigner' which allows crates to be customised-sealed at the Museum. This is an annual cost of c. £900.

As the lists in sections above indicate, restrictions on movement of EU partners would have a chilling effect on our relationships with expert professionals from other EU nations. For example, on 3 February, we and Cardiff University are jointly hosting a lecture by a Jette Sandahl, former Director of the World Cultures Museum in Goteborg Sweden. (She is also Chair of the European Museum Forum, which runs the European Museum of the Year Award, funded by the Council of Europe, not the EU of which the Director General of AC-NMW is also a Trustee)

CURRENT MITIGATING STEPS TAKEN

The future shape of the Brexit negotiations is very uncertain. We do not know if research and cultural projects and partnerships will, or will not be part of any future Brexit deal. Meanwhile, we have taken a number of steps:-

- We have provided evidence for the Single Market of the Mind Report, and to the Welsh Government
- We are actively seeking European funding whilst it is still available
- We are developing new relationships with museums in Ireland and expect to sign an MOU with the National Museum of Ireland in the next few months.
- We are also working with United Kingdom Trade and Industry (UKTI) and other bodies to increase opportunities for staff, travel and exchanges with colleagues overseas.
- We will use the European Museum Forum NEMO and Council of Europe as an alternative route to European partnerships.

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CWLC(5) BREXIT09
Ymateb gan Grŵp Amgylchedd Hanesyddol / Evidence from Historic Environment Group

Historic Environment Group

Report on the impacts and opportunities of Brexit for the historic environment in Wales: the EU Transition Sub-group report June 2017

Headline conclusions:

- The Welsh historic environment sector undertook 180 projects in the period 2007–16 that were wholly or partly funded by the European Union.
- The sector received a minimum of £74m in EU funding during that period as its share of grants from European Structural & Investment Funds, including the European Agricultural Fund for Rural Development, the European Regional Development Fund and the European Social Fund (for details, see Appendix 1: Assessing the European Union's contribution to heritage and the historic environment in Wales since 2007).
- In addition Welsh universities received £2.42m in research funding during the period 2013–17, while funding already captured for the period 2018–22 amounts to £1.88m (source: 'The role of EU funding in UK research and innovation', Technopolis Group report, May, 2017: <https://royalsociety.org/topics-policy/publications/2017/role-of-EU-funding-in-UK-research-and-innovation/>).
- From these figures it is clear that the failure to replace lost funding from EU sources will have a serious impact on the substantial and wide-ranging contribution that heritage makes to the Welsh economy, employment and regeneration and to action in areas such as well-being, health, place-making and social inclusion.
- As well as financial considerations, we must guard against a potential drain on skills if the most adaptable and skilled people in Wales decide that their education and careers are best served by moving to mainland Europe.

- As well as a brain drain of academics and students to other parts of Europe, the loss of EU research funding lead to the loss of the historic environment teaching and research that has placed Welsh universities at the forefront of the discipline.
- Farmers in Wales benefit substantially from the Common Agricultural Policy, which in turn is explicitly linked to stewardship of the natural and cultural heritage; the failure to put similar subsidy systems in place could lead to the abandonment of marginal farms and substantial damage to the environment and to Welsh tourism.
- The cost of maintaining Wales's substantial stock of pre-war buildings (40 per cent of the buildings in Wales) will rise if limitations are imposed on the free movement of skilled people and if tariffs are imposed on traditional constructional materials.
- The scrapping or watering down of EU-derived environmental protection legislation could lead to irreversible damage to the archaeological and built heritage of Wales.

Desirable outcomes for the Welsh historic environment sector from the Brexit negotiations:

- Wales expects its devolved powers to be respected in post-Brexit funding and decision-making and Wales should demand that devolved matters covered by the EU (Withdrawal) Act should amended by the Welsh Assembly, not by Westminster; this should be used as an opportunity to improve environmental protection legislation to meet the specific needs of the Welsh historic environment.
- Wales as a whole, and the historic environment sector in particular, should not be any worse off as a result of withdrawal from the EU; in addition, funding packages must continue to be based on 5- to 7-year planning and delivery periods rather than the annualised funding of domestic expenditure.
- Consistent with Wales's 'jobs first' policy, priority should be given to sector skills training to ensure that Wales can continue to supply the people necessary for effective regeneration, tourism, heritage and culture, conservation, traditional building construction, environmental protection and sustainability.

- Given that Welsh universities are heavily dependent on the fees paid by EU students, consideration should be given to reviewing fee structures as an incentive for people from all over the world to study in Wales. Continued access to research funding is vital if Welsh universities are to continue the pioneering historic environment research that has put them at the forefront of the discipline, able to form productive cross-border partnerships with other leading research institutions.
- Agriculture should continue to have a special place in government policy but be refocused, to leave intensive food production to market forces while supporting rural land management schemes that maintain and enhance vulnerable natural and cultural heritage.
- The momentum of regeneration, much of it dependent on EU-funding, must not be lost as an engine for improving people's lives and aspirations and as a form of economic stimulus, in which the heritage sector plays an important role by rescuing unused buildings in urban centres from redundancy and blight.

Overall, what would a successful Brexit deal for Wales look like?

- Clarity about the sums that the UK will save by leaving the EU (designated as 'the Brexit Fund' in Treasury accounting so that it is distinct from other forms of revenue and spending).
- Clarity about the amount that the EU was contributing to Wales pre-Brexit and a guarantee that funding for the historic environment sector will continue at pre-Brexit levels so that Wales will be no worse off post-Brexit.
- Maximum devolution of decision-making subsequent to the EU (Withdrawal) Act, on the basis that many areas of EU-derived legislation should be scrutinised and amended by devolved parliaments rather Westminster.
- Maximum devolution of decision-making about the ways in which any post-EU savings should be allocated.
- Division of the money using a formula based on the need for investment and the anticipated impact, not just on population size (the Barnett formula).

- Continuing the EU principle that funding should be used to support market failure: paying for socially desirable outcomes that the market cannot supply profitably.
- Agreement about the spending priorities: farming for the health of the environment; renewable energy; sustainable practices; regeneration and place-making.
- Support for our universities so that they continue to benefit from European research funding, are able to attract the best teachers and researchers and international students.
- Continued support for Wales as a bi-lingual nation, and protection for the intangible heritage of Welsh language skills; for example through parity in the use of both English and Welsh as a teaching medium in Welsh universities.
- No watering down of environmental protections or of the effort to reduce dependence on fossil fuels and to invest in sustainable energy.
- Protection for Welsh agriculture and sustainable land management, maintaining farmers' access to the subsidies that are essential to their viability and to the protection of the distinctive cultural landscapes of Wales, which in turn are vital for Welsh tourism.
- Continued access to the European Single Market for Welsh businesses.
- Freedom to recruit people of 'exceptional talent' without penalty.
- An end to the excessive and burdensome project management and accounting systems associated with the EU.

EVIDENCE AND DISCUSSION

Wales has its own distinctive heritage that helps to define the nation and inspire and shape our sense of nationhood. Our historic buildings and monuments serve as important reference points for understanding Welsh character, culture and history. They also serve as the backdrop to our daily lives and as a catalyst for health and well-being, learning, research, tourism, regeneration and socially progressive community engagement activities.

Economically, the historic environment is a small but nonetheless significant contributor to the Welsh economy and employment in direct ways (especially through tourism) and indirect (stewardship payments to farmers, research and teaching in Welsh universities and heritage construction).

HERITAGE STATISTICS

Source: Heritage Counts; Heritage Indicators 2016:
<https://content.historicengland.org.uk/content/heritage-counts/pub/2016/heritage-indicators-2016.pdf>

- Over 40,700 people are employed in the historic environment sector (2.9 per cent of Welsh employment); up 24.6 per cent since 2010
- The sector contributes around £1.8 billion in output and £932 million to Wales's national gross value added (2.8 per cent of the Welsh economy), almost twice the size of the agricultural sector
- Money invested by the Welsh Government in the heritage sector attracts high levels of additional private and public sector funding: £1m invested in historic buildings grants last year leveraged an additional £10m of private investment.
- Last year (2016) saw an increase of 4.4 per cent in the number of visits to heritage sites in Wales (13.6m visits)
- 61 per cent of overseas visitors cite historic sites as a key reason to visit Wales.
- School visits were up (675,000 learners) and 43 per cent of schools visiting Cadw properties came from deprived areas of Wales, thanks to targeted travel grants
- Paid-for membership of national heritage bodies in Wales now stands at 440,000; some 102,000 people are members of 700 local heritage societies in Wales
- Major national events, including the Festival of Archaeology (July) and Open Doors (September) attracted a record number of visitors to special events hosted by heritage organisations, as did the annual Eisteddfod, Wales's own national festival of heritage, arts and culture.

If the historic environment sector is going to continue to deliver economic, social and environmental benefits, the historic environment needs to be sensitively and sustainably managed in the post-Brexit era.

Case study: the Heritage Lottery Fund

Analysis of projects supported by the Heritage Lottery Fund in Wales shows that 38 projects have received a total of £98,231,168 in funding since 2014, of which £20,204,600 came from EU sources (20.7 per cent), while £49,392,429 (50.3 per cent) was raised from partnership funding and the balance (£28,634,139, or 29 per cent) came from the HLF.

Projects included in these figures include the regeneration of Cardigan Castle, Ynysangharad Park Lido, the Monmouthshire and Brecon Canal, Merthyr Tydfil Town Hall, Hay Castle, St Dyfnog's Well, Glynneath Gunpowder Works, several public parks, several town centres that have benefited from townscape heritage initiatives, landscapes such as Gower and Holy Island that have benefited from landscape partnerships, various community hubs, faith trails and church and chapel conservation projects.

ENVIRONMENTAL PROTECTIONS

Many of the environmental protection standards that the UK currently adheres to are derived from EU directives. The stated aim of the UK government is to transfer all this European legislation into UK law initially and then consider changes for the future.

The key directive that serves to protect the historic environment is the Environmental Impact Assessment EIA Directive (85/337/EEC), whereby planning applications for major developments must take into account their impact on the cultural and natural heritage. The Environmental Impact Statement must be taken into account by the local planning authority and/or the Secretary of State in deciding whether or not to give consent for the development. The UK as a whole is a signatory to various Council of Europe conventions (eg the Valletta Convention, European Landscape Convention) that will not be affected by Brexit.

Opportunities: Heritage protection is a devolved matter and Wales already has its own Historic Environment (Wales) Act that puts Wales in the vanguard of heritage protection. When it comes to consideration of future changes, opportunities exist to consider a more holistic approach to environmental protection which includes

both the historic and the natural environment and to make them appropriate to the local requirements of Wales.

HERITAGE CRAFT SKILLS

The Chartered Institute of Building 2015 report says that there were 225,000 foreign-born workers in UK construction, about 10 per cent of the total construction workforce. In Wales, it is estimated that 110,000 people are employed in the construction industry (*Construction Skills*, n.d); extrapolating from the 10 per cent figure for the UK, that means some 11,000 foreign-born workers. We do not know how many of those are EU migrants.

There are no figures for the number of construction workers engaged in the heritage sector, but the 'English housing survey 2014 to 2015: housing stock report' says that of the 23,490,000 houses in the UK, 20 per cent (4,698,000) were built before 1914 and 40 per cent (8,601,000) before 1945 and maintaining any of these requires traditional construction skills.

The Construction Industry Training Board's latest employment forecast is that the industry will need to find almost 224,000 new recruits between 2015 and 2019.

The Construction Industry Council (CIC) has warned of a construction skills crises post-Brexit (<http://cic.org.uk/news/article.php?s=2016-09-15-professional-bodies-warn-government-of-uks-construction-skills-crisis>)

Royal Institute of Chartered Surveyors highlighted in April 2017 the skills shortage in the heritage sector (<http://www.rics.org/uk/news/news-insight/press-releases/specialist-skills-shortage-could-put-beloved-national-treasures-into-disrepair/>)

Opportunities: the most effective way to reduce migration into construction jobs is to invest in training, mentoring and developing young Welsh and UK citizens: we recommend a major programme of investment in training and the embedding of heritage building skills into general construction training.

ARCHAEOLOGICAL SKILLS

The demand for skilled archaeologists is expected to expand significantly over the next decade to undertake field recording in advance of such major infrastructure projects such as HS2, Heathrow's third runway, the A303 Stonehenge tunnel and

the Government's ambitious programme of house building, including 14 new garden villages (TAF 2016). A skills shortage in archaeology has been recognised (CifA and FAME 2016). Current data show that 3 per cent of archaeologists working in England are from countries from the EU outside the UK, down from 5 per cent in 2007–08. There are no comparable figures from Wales, but as many England-based commercial archaeology companies operate in Wales, the percentages are likely to be similar. The ability to employ EU workers may thus impact on the delivery of commercial archaeological projects in Wales.

The UK is also a world leader in archaeological research, curation and practice, in museum curation, building conservation and heritage science skills. 'The academic sector is internationally admired for the quality of its research and undergraduate and graduate teaching. The professional sector is similarly admired for the quality of work undertaken within the planning process and its significant contribution to new knowledge about Britain's past ... The discipline enjoys enormous public interest and levels of community engagement' ('Reflections on Archaeology', British Academy 2017).

Opportunities: though these big infrastructure projects are all located in England, Welsh archaeological organisations need to be able to compete for contracts; there needs to be a UK-wide sector skills strategy, designed to take school leavers of those seeking a change of career and give them the systematic training in practical field archaeology that will enable them to operate effectively.

HERITAGE MATERIALS AND VAT

£7 billion of building materials and products were imported from the EU In 2016, which included heritage/conservation materials, such as hydraulic lime, timber products and brick and stone. The values of these used in heritage construction are unknown. If tariffs are charged on Brexit then prices will rise.

Opportunities: a potential plus point is the ability to modify VAT rates to create a level playing field between new build (currently exempt from VAT) and repair costs (currently taxed at 20 per cent); which acts as a disincentive to developers to adapt existing historic buildings and it adds to the cost of the routine maintenance and repair work that is essential if historic buildings are to be conserved..

LAND MANAGEMENT AND AGRICULTURE

Wales currently benefits from:

- £220m a year from the Common Agricultural Policy
- £2bn so far in European Structural Funds
- £957m so far for the Rural Development Programme, which funds the Glastir agri-environment scheme and the LEADER programme

Farming and the historic environment are inseparable. The cultural landscape cannot exist without farming, and farmers are the main guardians of the landscape, safeguarding our cultural heritage.

- 80 per cent of our scheduled monuments (equivalent to 93 per cent of all scheduled areas) lie on registered agricultural landholdings
- 80 per cent of our Registered Parks and Gardens (equivalent to 96 per cent of all Registered Parks and Gardens land) lie on registered agricultural landholdings
- 86 per cent of all Historic Environment Features (HEFs) (equivalent to 96 per cent of total HEF areas) lie on registered agricultural landholdings

The LEADER and Glastir sustainable land management scheme (and its precursor, Tir Gofal) offer vital financial support to farmers and land managers that has resulted in the positive management and restoration of historic and natural environment across Wales. Without such support, many farms in Wales will cease to be sustainable; given that some 40 per cent of the upland farms in Wales are tenanted National Trust farms, the loss of viability would lead to a substantial indirect loss of income to the historic environment; abandoning upland farms will lead to rapid transformation of the landscape, some effects of which (eg re-forestation) are likely to be highly detrimental to the historic environment.

Case study: Defra/English Heritage studies estimate that for every £1 of public funding spent on repairing stone walling an estimated £1.92 is generated for the local economy. Similarly, it has been estimated that up to 70 per cent of rural tourism is dependent on high quality environment and money invested in conserving and enhancing heritage assets within rural landscapes has a considerable multiplier effect within local economies.

Opportunities: Wales needs systems of support for agriculture to safeguard the livelihoods of Welsh farmers and the sustainability of all farms, but especially those

in upland regions, and to protect the landscapes that are an important generator of tourist income. The Welsh historic environment requires sustainable management so that it can continue to deliver meaningful social, economic and environmental benefits to the people of Wales.

Policy on agriculture should seek a balance between the need to sustain marginal farming and focus agri-environment schemes on benefiting the historic and natural environment. Public sector food policy across Wales should focus on home-grown produce and stress the links between the food we eat and the historic and natural landscapes that are such a precious resource for Wales and an integral part of the Welsh identity.

There is a need to ensure that the cultural environment (currently a devolved policy area) has parity with other environmental assets/priorities (currently an EU policy area); to rebalance priorities not solely in favour of 'natural capital' and to develop a truly integrated rural land-use system. There is therefore, an opportunity to acknowledge cultural heritage as a key environmental public good, which can contribute in a meaningful way to the prosperity and wellbeing of Wales.

We need to keep investing from the public purse to secure a long-term future for farming by protecting the land and nature on which it depends, and safeguarding the countryside's beauty and heritage, which draws in people to visit and enjoy it.

- Start from the principle of public money for public benefit as the justification and most equitable means to achieve taxpayer value, with the majority of funding supporting the most effective and efficient approach to environmental land management.
- Ensure public funding pays directly for specific actions or results, with those delivering greater public benefit receiving greater public support.
- View the natural and historic environment with parity, approaching public support on a whole farm and no detriment basis ie not damaging an environmental asset whilst being paid to maintain another, achieving one environmental objective not prejudicing another.

HIGHER EDUCATION

EU funding has been especially important to historic environment research in UK universities as a whole and Welsh universities in particular. Archaeology, for

example, receives 38 per cent of its research funds from the EU compared to an average for all subjects of 12 per cent of funding being derived from the UK (source: 'The role of EU funding in UK research and innovation', Technopolis Group report, May, 2017: <https://royalsociety.org/topics-policy/publications/2017/role-of-EU-funding-in-UK-research-and-innovation/>).

In Wales the proportion of EU funds going into historic environment research is even higher than the UK average: EU funding has contributed 48.18 per cent of the total grant funding for the historic environment received from major grant sources (the other main source being the UK research councils). The EU share has become increasingly important, having grown from 22.5 per cent of all funding for heritage-related research by Welsh HE institutions in 2012 to 87.5 per cent of all funding received today. This is not least due to the fact that long-term (three- to five-year) grants worth in excess of €1.2m are almost exclusively derived from EU sources.

The amount of EU funding for heritage-based research in Wales is a tribute to the very high regard in which Welsh institutions and academics are held: put simply, Wales, and the UK as a whole, has been highly successful in winning European Research Council awards, winning more funding in this area than Germany, France, The Netherlands and Belgium combined. Conversely, the loss of access to such funding will result in a huge impoverishment for the research environment in British and Welsh heritage research.

Over the period 2013–17, EU grant funding received by Welsh HE institutions overall amounted to €2.7m (£2.42m), an average of €541,136 (£484,229) per annum. Grant funding already captured for the period 2018–22 amounts to €2.1m (£1.88m), or an average of €423,051 (£378,535) per annum, with further grant capture still expected.

Most EU grants are awarded to a group of institutions, most based in other parts of Europe rather than in the UK. Working with over 100 different partner institutions in other EU countries over the period 2005–15 has proved to be vital to the health of the Welsh HE sector (which also includes such research-analogue organisations as the National Museum, Cadw and the Royal Commission. These links bring valuable non-monetary benefits, including trans-national knowledge and skills transfer, and wider career opportunities for Welsh graduates.

Opportunities: Any post-Brexit settlement for Higher Education should recognise the international nature of fundamental research and protect the rights of academics from abroad who work in Wales and vice versa. Efforts must be made to stem the potential for a brain drain of the best teaching and research staff from Wales to better-funded institutions in the EU. This would have a negative impact on Wales's standing in the Research Excellence Framework ranking tables and impact on our ability to attract fee-paying undergraduates ad post not just from EU countries, but also from England, Scotland, Northern Ireland and Wales itself. Significant drops in student numbers, would leave departments financially unviable and in a worst case scenario would leave Wales unable to develop new generations of heritage professionals, especially those who have heritage sector skills combined with fluency in the Welsh language.

Cynulliad Cenedlaethol Cymru / National Assembly for Wales
Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu / The Culture, Welsh Language and Communications Committee
Ymchwiliad byr i oblygiadau ymadael â'r Undeb Ewropeaidd / Short inquiry into the implications of Brexit
CWLC(5) BREXIT10
Ymateb gan Cyngor Llyfrau Cymru / Evidence from Welsh Books Council

Increased cost and reduced competitiveness.

There are universal concerns about the effects of Brexit within the book industry in Wales. The decline of the value of sterling has already led to a 25% increase in paper prices, and increased energy and transport costs for Wales based printers. Wales based publishers, who print in Poland, Czech Republic, Slovenia and Lithuania, will be burdened with additional administrative costs, whilst losing access to a range of competitive, international suppliers. Publishers have already received communication from HMRC to this effect. Those who print titles in Hong Kong and China are likely to be hit with increased administrative burden of customs regulation, increased tariff costs in and disruption to logistics arrangements as most of those shipments arrive in the Netherlands for onward transport to the UK. Welsh Government (WG)'s preparedness for Brexit in this area is dependent on the type of customs arrangement, and therefore Welsh publishers will need to prepare for the effect of this.

Reduced opportunity for cooperation with European partners

Literature has been enriched in the past from cooperation through European funding schemes such as Literature across Frontiers, Creative Europe, Horizons 2020 and Erasmus. Less opportunities for authors due to lack of access to Europeans arts and culture programmes and less risk taking by publishers could disincentivise new talent from joining the industry. University publications have also been funded via European Research Councils – and loss of access to European funding may lead to a higher dependency on funding from Welsh and British Government. WG's preparedness for Brexit in this area needs to focus on ensuring Wales is able to continue to participate in such schemes, so that partners can prepare long term plans.

Perception of Wales by the rest of Europe

WG needs to consider how Wales can market itself effectively within the context of the UK. Loss of visitors from the rest of Europe will have an impact, not only on businesses reliant on the tourist trade, but local booksellers and sale of specialist tourist publications. Less bookshop means less opportunity to showcase books and increase dependency on chains/online retailers that operate a much more selective and punitive (high discount titles only) buying regime. Historically, Wales was seen as a unique and distinct member of the European family of small nations; but now will be seen as part of Britain. WG needs to prepare for how it will continue to promote Wales as a unique destination.

Possible threat to the level of protection/support for the arts and Welsh language

Publishers are concerned that the arts will be viewed as non-essential and therefore disproportionately affected by any possible cuts. Over the last decade, the level of current grants has not increased in line with inflation and the sector is already facing increased financial pressures. Any cuts in grants are likely to lead to job losses as well as a decrease of publishing activity. This will lead to less choice in print and digital books and pose a real threat to magazines which play a vital role in terms of media plurality in Wales. Investment is needed to develop choice in areas such as audio books, new digital formats and subject areas.

All publishers supported by WBC are micro enterprises located in disadvantaged rural locations, and potential job losses would impact disproportionately. Welsh publishers and booksellers form part of the foundation economy in Wales and have an unusually high level of spending on local products and services (e.g. freelance editors, designer, proof readers). Any reduction in publishing activity would also lead to less work in the freelance sector and result in less products for bookshops to be able to sell.

Authors are vitally important to publishers. There is concern that a decreased grant will lead to less opportunities for authors, as publishers are less likely to take risk

during periods of uncertainty. This could lead to whole generation of talent being lost to other more lucrative industries.

Different legal requirement leads to divergence

WG needs to consider the impact on copyright protection and IP sales within the publishing industry. This could lead to increased administrative burden and double taxation when developing resources that have an EU audience but where legislation differs.

International recognised standards such as ISBN, ONIX and ISSN, as recommended by the IPA (International Publishers' Association) should continue to be adopted in the UK. WG needs to start a dialogue with the IPA of how they can best ensure continued cooperation.

There is also a possibility that the UK will fall behind in development in new, cost intensive product development such as audio books and digital formats, as the UK will not be part of any EU discussions on formats in future – and hence will lose their voice. European countries have pushed for multilingual formats, whereas the UK may opt for a monolingual format. WG should ensure that any EU regulations on formats will also be adopted by the UK.

Finally – continued use of key EU environmental policies such as ISO 14000 should continue to be adopted, within the print industry to ensure consideration of environmental impacts of production.

Short inquiry into the implications of Brexit on areas within the Culture, Welsh Language and Communications Committee's remit

A submission by Arts Council of Wales / Wales Arts International



October 2018

Now The Hero / Nawr Yr Arwr (image: Warren Orchard)



wales arts international
celfyddydau rhyngwladol cymru

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Cyngor Celfyddydau Cymru
Arts Council of Wales



Context:

1. This written evidence is submitted by the Arts Council of Wales. It is informed by the expertise and experience of the Arts Council's international arm, Wales Arts International.
2. Arts and culture in Wales is a devolved matter. Nevertheless, in preparing for Brexit it is essential that the UK Government and its trade, border and cultural agencies consider the full impact of leaving the EU on the UK sector overall as well as the many varied devolved and regional implications. There is an opportunity for Wales, and the Welsh Government in particular, to highlight the particular concerns for the sector here, but also to reflect on changes needed to help greater cohesion with partners across the UK. This will be paramount post Brexit.
3. Despite the activity undertaken by ourselves (and detailed below) and by others in the sector, our experience is that devolved nations are not being adequately included, or have sufficient visibility, in the key debates. We understand that high profile issues such as security, counter-terrorism and medicines will be given greater priority. However, we believe that the UK Government has a responsibility to recognise the implications of a potential no Deal on all aspects of social, cultural and economic life. It is dangerous to pick and choose and could leave important areas of the arts and creative industries at a significant competitive disadvantage.
4. We welcome this consultation by the Culture, Welsh Language and Communications Committee. We believe that the Committee could have a valuable role in continuing to monitor and highlight the potential impact of Brexit on the arts and culture sector, in particular over the coming critical months of negotiation.
5. We have maintained an active engagement with European programmes and funding over the past ten years. Since 2008, Wales Arts International has hosted a European Desk. This has increased our engagement, and that of the wider arts sector in Wales, with European networks, opportunities and projects. It has been particularly important in helping to support projects and relationships developed through transnational European funding streams. Arts Council of Wales also seconds a member of staff on part time basis to the Creative Europe Wales Desk based at Welsh Government and part of the British Council led UK Creative Europe Desk.
6. We have worked as a partner in a number of strategic European projects including the pilot artist mobility network "Practics" (2008-2011) and the INTERREG IVC project "Toolquiz" (2010-2012). We have also established an informal network of arts organisations based in Wales who are active in, or seeking to engage with, EU

networks and projects. This is called the Wales European Arts Forum. We disseminate information to this group on matters concerning EU cultural policy, networking and potential project opportunities, and signposting relevant sources of transnational funding.

7. Since the EU referendum vote, we have undertaken a number of pieces of research to assess the potential impact of the Leave vote. In the summer of 2016, Wales Arts International conducted a survey on behalf of Arts Council of Wales to understand the potential impacts of the EU referendum decision on the creative and cultural sector in Wales.¹
8. As a member of the Creative Industries Federation, we jointly hosted an event in Swansea in September 2016, to understand better the potential impact of Brexit on the arts and creative industries in Wales. The event fed into the Brexit Report published by the Creative Industries Federation which made key recommendations to the UK government.²
9. We have submitted evidence to the National Assembly for Wales' Finance Committee's work around replacing EU funding for Wales³; to National Assembly for Wales' External Affairs and Additional Legislation Committee's work around Brexit and Wales' future relationship with Europe⁴; we have responded to consultations by the House of Commons⁵ and the House of Lords⁶ inquiries on the potential impact of Brexit on our sector.
10. We commissioned research from independent European research specialists Euclid to establish the level of type of European funding received for arts and cultural projects. (In the period 2007 to 2016 some 150 projects were supported and received around £23m of EU funding.) This is examined in more detail below.

¹ [The Arts in Wales and the potential impact of leaving the EU](#), survey by Arts Council of Wales / Wales Arts International, October 2016

² [Creative Industries Federation Brexit Report](#), October 2016

³ National Assembly for Wales' Finance Committee, [Preparations for replacing EU funding for Wales](#), September 2018

⁴ National Assembly for Wales' External Affairs and Additional Legislation Committee, [Wales' Future Relationship with Europe](#), March 2018

⁵ [The impact of Brexit on the creative industries, tourism and the digital single market](#), Inquiry by the House of Commons Culture Media and Sport Committee, October 2016

⁶ House of Lords, EU Home Affairs Sub-Committee inquiry, [Brexit: movement of people in the cultural sector](#), July 2018

11. Eluned Hâf, Head of Wales Arts International, has presented evidence on behalf of the UK arts sector at the European Parliament’s Culture and Education Committee⁷. We have also participated in the WEFO stakeholder engagement event regarding Regional Investment in Wales after Brexit.⁸
12. We have participated in British Council’s series of European meetings, most recently in Brussels in September 2018.⁹ The event hosted by Belgium’s Bozar, highlighted that beyond EU funding programmes, there is a significant risk to current business models for companies in Wales/ UK as well as elsewhere in the EU 27, due to a number of unknowns in the event of a deal or a no deal Brexit.
13. The lack of data – and the consequently unknown impact of Brexit on the European Creative economy at large – was a key concern for participants. For the issue to become more of a priority to national governments and the EU, the call was for comparable data beyond just EU funding on income generated from touring or presenting beyond national borders and the inevitable impact of new border controls and legislation.
14. The “Beyond Brexit” event report calls for a UK-wide and pan-European information provision. The network of info-points managed by the European artist mobility network On The Move through the “Practics” pilot project is a model Arts Council of Wales advocates. However, as the only UK partner in that pilot, we endorse the call for a UK wide information provision with which we, and the other UK Arts Councils, would be key partners. The service should provide practical visa, taxation and legal information to support artists and creative sector from the UK to work in the EU and from the EU to continue to work in the UK. A European network of info-points would also help to address the inadvertent impact of Brexit in terms of challenging perceptions of European companies who may decide (due to lack of information) to de-prioritise the UK as a key place, or source, for their work.
15. The arts and creative sector that we support will have its own comments to offer. However, our work with the sector leads us to believe that our observations will be broadly representative of the sector as a whole.

⁷ [Eluned Hâf presentation](#) at the European Parliament’s Culture and Education Committee.

⁸ [Regional Investment in Wales After Brexit](#), Welsh Government, June 2018

⁹ [Moving Beyond Brexit: Uniting the Cultural and Creative Sectors](#), British Council, Bozar, European Cultural Foundation, September 2018

16. Four key areas of concern have been consistently identified. They are:

- **Talent and skills** – in particular freedom of movement for artists, cultural and creative companies and specialist workers, skills shortages, visas and touring
- **EU funding** – including access to Horizon 2020, Interreg, Erasmus+, Creative Europe, cultural exchange, export opportunities, eligibility in the run-up to Brexit
- **Trade and investment** – including the EU as a principal market, new markets, regulated services, tax credits, World Trade Organisation terms
- **Regulatory frameworks** – including Digital Single Market, intellectual Property rights, copyright protection, influence over new regulations

17. Of these four, the first two are potentially where the most immediate impact on the sector will be felt. More detail can be found in the various submissions detailed above. Below we have highlighted the following potential impacts:

Potential impact on talent and skills:

18. The creative industries, and the arts sector that we work, with rely on the constant flux and exchange of local, national and global participants. This is essential for the creation and production of the high quality of work for which Wales and the UK is known. However, the strength, diversity and innovation of the arts depend on the free movement and exchange of ideas, talent and creativity, the so called mobility of artists and creatives.

19. Europe is a source of key talent for a whole range of companies, from Welsh National Opera to National Dance Company Wales, with creative individuals employed both as part of the core team as well as contracted for specific productions. The easy two-way flow of this talent is currently part of the success of the creative industries as a growing engine for economic growth in Wales. Curtailing this could lead to a substantial loss of important skills to Wales and to the Welsh economy.

20. A diverse workplace makes our companies competitive internationally. Attracting international talent and leaders offer a new perspective to our companies' culture. Alongside Welsh and British colleagues they transform the fortunes of our art companies developing their capacity and enabling them to break into the new international markets that are so important in sustaining a viable business.

21. The creative sector thrives on innovative and specialist expertise and technologies. By their very nature, such skills are not widely available. Exceptional talent in the arts

and creative industries is as vital to the success of the sector as other areas such as science and academia. European workers provide a steady stream of skills in areas where we currently lack capacity or expertise. Additionally, these workers help us better understand Europe, our biggest overseas market.

22. It is therefore now both imperative and urgent that the rights and future of all EU citizens in the UK, as well as British citizens across the EU, is clarified.
23. The future mobility of highly trained artists and skilled workers is a key concern. The Migration Tier 2 Shortage Occupation List itemises jobs where the government will permit sponsorship of migrant workers in recognition of severe skills shortages and the current list already acknowledges gaps, with 17 creative industries identified.
24. Whatever the future arrangements, a recognition of the uniqueness of the creative sector is needed in order to enable the sector to continue to thrive. Firstly, many creative workers are self-employed or work on specific time limited contracts. The working patterns of the sector are atypical – a contract could be for a few hours, a day or longer term. The option therefore of free movement with a job offer may not work well for a sector that often requires quick turnarounds. We also wish to recognise the need to retain talent amongst international students who have followed creative courses in Wales' Higher Education establishment. This traditionally has been a great source of the best of international creative skills.
25. In addition, high levels of technical skill do not always translate into high salaries. The current Home Office requirement that non-UK/EU nationals meet a minimum salary threshold for certain types of visa would be problematic. And this could be exacerbated by limitations on the number of Tier 1, 2 and 5 visas awarded each year.

Potential impact on touring:

26. The UK's proximity to mainland Europe enables more affordable and 'frictionless' travel across borders. The easy access and movement for touring (of orchestras, theatre companies, exhibitions and individuals) both into the UK and from the UK into the EU is of significant practical and financial value. In addition, the majority of arts companies are small organisations, to whom a return to administrative and financial burden of visas and carnets would be a costly retrograde step. But of course the impact of this work cannot be measured in financial terms alone and the reduction in the number of EU artists and companies coming into the UK, from Visual artists or fashion designers to touring orchestras or theatre will have a major impact on programming in venues and festivals in Wales and the UK.

27. Touring Europe is an essential part of many of Wales' artists' working lives. It is also critical to the success of many of Arts Council of Wales' Arts Portfolio Wales organisations (the principal arts bodies revenue-funded by the Council). Many earn a substantial part of their income from touring other European countries and many of our presenters have access to European companies touring the UK. And touring in Europe is much less costly and easier for our arts companies than in other territories because of the removal of restrictions and barriers (visas, employment and taxes) for EU member states.
28. For NoFit State, our flagship contemporary circus company, revenues from international touring counted for almost 40% of total turnover in the financial year 2015/16. Their recent experience of touring America highlighted the additional costs involved over and above the travel costs (£46,000) compared with a tour of the same scale and piece of work in the EU. Major costs included visas (£13,406), carnets (£9,384) for touring equipment and medical insurance (£4,250), as well as for certification required by New York state around temporary public spaces and NoFit State's performance tent (£19,002).¹⁰
29. Any introduction of mobility restrictions (along with tariffs) will create new borders for our large-scale arts organisations. But whilst these companies will certainly find such impediments inconvenient, for the smaller-scale companies and artists such barriers might become insurmountable. Arts organisations operating on very lean budgets with limited financial flexibility may find themselves unable to cushion or manage the effects of regulation of movement.
30. Artist mobility is the foundation of artistic and creative development. Whatever the future arrangements, any changes to immigration regulations must be negotiated in ways that allow reasonable and appropriate mobility of creative workers and avoid counter-productive barriers based exclusively on salary thresholds and quotas.
31. We welcome and support the research and recommendations carried out by the Creative Industries Federation in their Global Talent Report.¹¹ We would like to see the introduction of visa free travel for creatives working between the UK and EU and we would welcome a review of the options around the permit free festivals model and intermediary bodies providing certificates of sponsorship. All options should be

¹⁰ Creative Industries Federation Brexit Report 2016

<https://www.creativeindustriesfederation.com/sites/default/files/2017-05/Brexit%20Report%20web.pdf>

¹¹ Creative Industries Federation Global Talent Report 2017

https://www.creativeindustriesfederation.com/sites/default/files/2017-11/GlobalTalent_v16.pdf

explored with a view to minimise the bureaucratic burden and enable the creative, artistic and commercial success of a key sector.

32. Sustaining the mobility of artists and creative workers from the UK and the EU remains a vital national interest, both in the long term and throughout whatever transition period is negotiated, which will need to provide continuity and clarity for our sector, many of whom are engaged in work with European partners post March 2019.

Potential impact on access to EU funding and access to international networks:

33. The arts sector in Wales has benefitted over the years from a variety of EU funding programmes. In August 2017 we commissioned a report by EUCLID to assess the European Union's contribution to the arts in Wales since 2007 in terms of funding – looking at both structural Funds and transnational funds.¹² While there is a clear benefit for the arts in terms of transnational programmes such as Creative Europe, Erasmus + and Interreg, there is also a large proportion of investment that has come from the European Structural and Investment Funds.
34. The European Funding delegated to Wales has transformed the arts in Wales. This investment has provided a significant match in funding for projects as diverse as training, apprenticeships, community projects and capital build schemes for arts centres, galleries and theatres.

Wales now boasts an enviable infrastructure of architecturally distinctive arts venues that are creating new opportunities for people across Wales to enjoy and take part in cultural activity. And many of these flagship capital projects have kick-started economic regeneration and have been the catalyst for inward investment and increased community engagement.

35. One exemplar recipient of European Regional Development Fund which has paved the way for further investment in the arts is [Galeri](#), an arts and creative enterprise centre in Caernarfon. Opened in 2005, through partnership investment including around £1.7m ERDF funding, Galeri has always had a strong focus on local regeneration, community engagement and support for the creative sector in Gwynedd. Its development on the site of Victoria Dock became a catalyst for the eventual re-development of this area.

¹² [Assessing the European Union's contribution to the arts in Wales since 2007](#), EUCLID, August 2017

36. ERDF, matched through the Arts Council of Wales' Capital Lottery Scheme and other investors, has provided significant funding investment into a network of high profile arts and creative industries centres across Wales. All have had a transformational impact in their communities and include **Aberystwyth Arts Centre, Theatr Mwndan** and most recently opened, [Pontio](#) – Bangor University's Arts & Innovation Centre, (which benefited from some £15m through ERDF.)
37. There has also been a significant investment through European Social Fund into the arts and creative economy in Wales. Between 2007- 2013, as a joint sponsor of the Welsh Government's **Reach the Heights Programme** (2007-13), Arts Council of Wales distributed over £10 million to 73 projects involving over 9,000 young people.
38. Many skills development programmes for the Creative Industries have been of benefit to the arts in Wales, from courses at Further and Higher Education establishments to programmes managed by Skillset to train writers for TV and Film.
39. The arts in Wales – like the creative economy as a whole – have benefited from a variety of trans-national programmes such as the dedicated Creative Europe and Interreg. For example, in 2015, five Welsh creative organisations benefitted from almost €1m of funding from [Creative Europe](#) (Media and Culture sub-programmes). This includes Literature Across Frontiers, based in Aberystwyth University, leading one of the flagship European "platforms" with their [Literary Europe Live project](#). The [CORACLE project](#), led by the University of Wales Trinity St David, received just over €1.2m of ERDF funding through the Interreg Ireland-Wales 4A programme. The project supported skills development for those working in the creative and cultural sectors, to maximise the economic, social and cultural benefit of these sectors to both regions.

Erasmus+ is another programme that has invested in creativity and creative skills, for example through the [Network of International Circus exchange](#) project that NoFit State Circus participated as a partner in (2014).

40. We continue to argue the case for continued participation in EU transnational programmes such as Creative Europe or Erasmus+, and consider that participation in these programmes post Brexit should be considered at a regional level (ie Wales) if the UK level is not a viable option.
41. If the UK or Wales participated in these programmes post-Brexit, it would be likely that it would be as a "third country". This would incur certain costs and also would mean that engaging as a partner in projects under these programmes would require finding an increased percentage of match funding.

42. Participation in these programmes brings a variety of benefits to partners, and not just funding. We consider it to be a crucial part of our connections with the EU, opening the doors to networks, future collaborations and routes to market for our arts and creative companies. Identifying and securing match funding has been a consistent issue in the past. We would therefore encourage the creation of a “success pot” that would enable companies to access match funding, should they be successful in unlocking EU transnational funds.
43. Wales should also retain a Creative Europe desk, even if this is funded by Wales outside of the programme to encourage partnership under a “third country model”. Such a desk would provide invaluable intelligence and advice that would extend beyond funding issues and ensure that Wales remained connected to European markets and networks.
44. However, if the UK Government and/or Welsh Government were unable to reach agreement with the EU on continued participation in such programmes as Creative Europe, we would consider it essential that a replacement funding programme is established in order to enable collaborative projects with EU.
45. There will be a significant impact in terms of funding infrastructural and other developmental projects in Wales if EU funding is not replaced by equivalent substantive UK funding. In the same way that we would expect the UK government to replace the funding lost to Wales from its withdrawal from the EU, so we and the sector would wish to make the case for the government to replace lost investment to the sector from participation in wider EU programmes.
46. We believe that any alternative arrangements in the future for investing in regional development should adopt the same international perspective and vision that we have seen in the current operation of EU structural funds.
47. Whilst we have commissioned research assessing the EU contribution to the arts in Wales in terms of funding, there is still a lack of comprehensive data on the breadth and depth of the impact of EU investment into the arts and the creative economy (and no doubt other sectors) in Wales and the UK. This is due in part to the complexity of EU funding programmes and the fact that all programmes are managed differently. The ways in which Welsh artists and organisations benefit also varies. Some have participated in programmes managed by other partners in Europe, as well as being lead partners themselves. Others have simply benefited from key training and networking opportunities, data which is harder to capture. Often a

small amount of investment can have a significant impact for the organisations involved.

48. Wales' continued participation in a range of international networks remains important. They provide intelligence and information about international markets and opportunities. Such intelligence will be vital if we're influence future debate and develop new cultural and trading relationships in Europe and further afield.

Preparing for Brexit:

49. In preparing for Brexit, targeted resources will be needed to ensure that the sector in Wales is able to make critical transitional arrangements. Ensuring that Wales' arts and culture are tied into key networks and can benefit from and contribute the sharing of intelligence and information is a key activity which we feel needs addressing.
50. Following our participation in the recent meeting in Brussels (see point 9) we have agreed to work alongside our counterparts in Arts Council Northern Ireland, Arts Council England and Creative Scotland, British Council, Culture Ireland, and European partners to develop comparable data on the scale and impact of Brexit on our sector. We want to ensure that the needs and priorities of the creative sector in each devolved region and nation are being taken into consideration and that Wales' voice is being heard.
51. As a member of On the Move and as an "information point" on artist mobility in Wales, we will support the development of an information network which researches and shares intelligence. It will focus on artist and cultural mobility issues relating to Brexit for and with the sector on visa, work permit and border issues as well as and taxation issues.
52. Creative people thrive on the exchange of ideas and information and a collaborative approach to working. Surveys repeatedly show that the sector remains overwhelmingly committed to international cooperation. Our 45 years of EU membership means that so many aspects of the cultural sectors across Europe are intertwined and interdependent. Working so closely with, and across the EU has become second nature to our sector and enabled creativity to thrive. We should seek to preserve this in any future arrangements.

1. The implications and possible impacts of Brexit on young peoples' attitudes towards European languages and cultures

1.1 There has been a marked decline in the uptake of modern foreign languages at secondary schools in Wales over the last decade. This has reached a critical stage for some languages, for example only 64 pupils in Wales studied German at A level in 2016-17.

GCSE entries for MODERN FOREIGN LANGUAGES: 2012-2017

Language	2012-13	2013-14	2014-15	2015-16	2016-17	Differential
French	5,859	5,049	4,793	4,124	3,558	-39.3%
Spanish	1,695	1,601	1,745	1,252	1,351	-20.3%
German	1,210	1,217	1,024	1,072	717	-40.7%
Other	348	416	394	443	447	+28.4%
Total	9,112	8,283	7,956	6,891	6,073	-33.4%

Data collected from: Welsh Government. 2018. *GCSE entries and results (pupils in Year 11/pupils aged 15) by subject group*. <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Examinations-and-Assessments/Key-Stage-4/gcseentriesandresultspupilsaged15only-by-subjectgroup> [Accessed: 25 July 2018]

A-level entries for MODERN FOREIGN LANGUAGES: 2012-2017

Language	2012-13	2013-14	2014-15	2015-16	2016-17	Differential
French	356	343	352	283	235	-34%
Spanish	130	102	150	81	91	-30%
German	114	96	104	77	64	-43.9%
Other	97	112	94	64	62	-36.1%
Total	697	653	700	505	452	-35.2%

Data collected from: Welsh Government. 2018. *A level entries and results (pupils aged 17 only) by subject group*. <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Examinations-and-Assessments/Advanced-Level-and-Equivalent/alevelentriesandresultspupilsaged17only-by-subjectgroup> [Accessed: 4 October 2018]

1.2 This decline can be attributed to systemic factors related to the current curriculum in Wales, such as the late start date for learning modern foreign languages in Wales, compared to our European counterparts, and the number of hours timetabled for language learning. This is currently reported as two hours per week in many state sector schools (Gorrara 2018). This situation has been exacerbated by the short duration of compulsory modern foreign language study in Wales. In some schools, pupils are making GCSE choices after only 12-15 months of studying a modern foreign language.

- 1.3 This decline can also be attributed to negative attitudes towards other European languages and cultures. These attitudes are beginning to impact on pupil perspectives on modern foreign languages in Welsh schools. A forthcoming piece of research carried out by the British Council has found that around a third of schools surveyed believe that Brexit is having a negative impact on parental attitudes towards modern foreign languages, with 29% saying it is also negatively affecting pupil attitudes. In all, 37% of schools reported an increase in negative attitudes towards modern foreign languages in schools since Brexit, either from pupils or parents.
- 1.4 The Welsh Government has made a substantial investment in supporting modern foreign languages in Wales via its *Global Futures* strategy, launched in 2015. However, this has not as yet arrested or reversed the decline in uptake in modern foreign languages. It could be argued that negative attitudes generated by the referendum in 2016 have countered some of the good work that is being done through the *Global Futures* programme. Brexit has become a systemic factor in and of itself and could be affecting young people's attitudes towards other peoples and cultures.

2. *The implications and possible impacts of Brexit on the teaching workforce*

- 2.1 The teaching of modern foreign languages in Wales is dependent on a supply of suitably qualified non-UK EU nationals. The British Council's *Language Trends Wales* survey (2016-17) reports that 23% of schools employ non-UK EU nationals as full-time teachers of modern foreign languages and 16% employ them as part-time teachers (British Council *Language Trends 2017*: 44). The report comments that 'recent shrinkage in modern foreign language provision has disguised an underlying shortage of teachers, with evidence that some schools are relying on teachers who are not qualified in the subject to bridge gaps.' (British Council, *Language Trends 2017*: 47).
- 2.2 With fewer students electing to study GCSE and A level modern foreign languages, the progression rate from secondary to tertiary education is likely to continue to fall. This will have an impact on the pool of people with the skills to become modern foreign language teachers. In the current Brexit scenario, Wales is likely to need to increase the recruitment of suitably qualified UK teachers of modern foreign languages.
- 2.3 In 2016-17, Cardiff Council successfully secured €71,000 to support 38 teachers to study a language abroad. In total, Cardiff Council's International School Linking department has secured funding for 129 teachers across Wales to learn a new or improve an existing language in a European partner country over a three-year period. The extensive Erasmus+ Key Action 1 programme of language learning aims to improve linguistic competences and cultural knowledge. It has enabled teachers to study in the country where the language is spoken. The funding has also enabled schools to host teachers from abroad (Welsh Government, *Global Futures* annual report: 2017).
- 2.4 Erasmus+ funding awarded to schools in Wales has increased substantially in recent years. In 2016-17, Cardiff Council's International School Linking department coordinated 8 Erasmus+ Key Action 2 and 7 Key Action 1 projects, bringing funding levels to €3 million (Welsh Government, *Global Futures* annual report: 2017).

3. The implications and effects of Brexit on international partnership and student exchange in Higher Education: case study example of Cardiff University

3.1 In common with other Welsh Universities, Cardiff University has embedded internationalisation as a core pillar of its education mission. Cardiff University currently has 174 partnership agreements with EU countries and 80 Exchange Agreements with other institutions in countries around the world.

3.2 The European Union's Erasmus+ programme offers opportunities for students to study and staff to teach or train in higher education institutions (HEIs) beyond Europe. It also makes the same opportunities available for staff and students from countries beyond Europe to come to participating HEIs in Europe. Cardiff University currently has 9 funded projects, coordinated by 6 academic Schools, across 9 countries. **€567,489** has been awarded to fund Erasmus+ projects.

3.3 Residency abroad and student exchanges are core to modern foreign language degrees at Cardiff University as for other Welsh and UK universities. Current numbers of Cardiff University student exchanges (as below) include a large proportion of modern languages undergraduates, some of whom will progress to become the next generation of modern foreign language teachers.

Incoming European Students by Academic Year	16/17: 563	17/18: 494	18/19: 411
Outgoing Students to EU countries by Academic Year	16/17: 386	17/18: 331	18/19: 299

4. Welsh Government's preparedness for Brexit in these areas

4.1 The Welsh Government's five-year strategy for modern foreign languages, *Global Futures* (2015-2020) was launched with three strategic actions:

Action 1: to promote and raise the profile of modern foreign languages as an important subject not only at GCSE (Level 2) but also as a longer-term choice which can lead to career opportunities.

Action 2: build capacity and support for the professional development of the education workforce to deliver modern foreign languages effectively from Year 5 onwards, enabling all learners to benefit from the bilingual plus 1 strategy via Professional Development for the education workforce, review of the Initial Teacher Education or Training (ITET) and pioneer school network.

Action 3: to provide enhanced learning opportunities to engage and excite learners

Suggestion: to consider how this strategy could be extended and adapted beyond its current end-date (2020) to help Welsh Government address the impacts of Brexit on attitudes to language learning and the development of a global mindset for young people in Wales.

4.2 The Welsh Government is currently undertaking planning and preparation for a radical reform of primary and secondary education, *Successful Futures*. One core purpose of the curriculum is for all young people and children to 'become ethical informed citizens ready to be citizens of Wales and the world'. <https://beta.gov.wales/new-curriculum-poster>

Suggestion: to consider how the international dimension of the new curriculum can be embedded in all six Areas of Learning Experience, ensuring that openness to other peoples and cultures is central to the educational profile of young Welsh learners.

- 4.3 The British Council has recently produced a report on Wales and 'soft power'. Soft power is understood as a country or a region's international influence through culture, public diplomacy and positive global contribution. Education was Wales' weakest indicator (<https://wales.britishcouncil.org/en/wales-soft-power-barometer-2018>)

Suggestion: to explore how the Welsh Government can further boost the global presence of Welsh education, research and international partnership, ensuring continued delivery of opportunities for Welsh staff and student mobility within and beyond Higher Education.

References

British Council, *Language Trends Wales 2016-17*: <https://wales.britishcouncil.org/en/language-trends-wales>

Gorrara C, 'Speaking from Wales: Building a modern languages community in the era of Brexit', *Languages after Brexit: How the UK Speaks to the World*, ed. M. H. Kelly (Palgrave/Macmillan, 2018), pp. 149-158

Welsh Government, *Global Futures* annual report 2017: <https://beta.gov.wales/global-futures-annual-report-2017>

Welsh Government, *Successful Futures*, 'the four purposes of the new curriculum', 2015, <https://beta.gov.wales/new-curriculum-poster>



Paper for Culture, Welsh Language and Communications Committee on issues relating to the TV production sector arising from leaving the European Union

1. TAC represents the Welsh independent TV production sector, which consists of around 50 permanent companies, with more operating to support particular productions. These companies make programmes for all of the UK-wide PSB networks (BBC, ITV, Channel 4 and Channel 5) as well as commercial broadcasters (e.g. Sky). They also are increasingly involved in international co-productions. They produce most of the content for S4C, as well as some content for BBC Wales, and BBC Radio Wales and BBC Radio Cymru.
2. TAC welcomes the invitation from the Committee to give views on the situation regarding the UK's membership of the European Union. The concerns for the TV production industry in Wales largely echo the concerns for the UK industry overall. This note is intended to summarise those concerns for the benefit of the Committee.
3. In terms of how this relates specifically to Wales Government policy, we would note that all the factors below will, to a lesser or greater extent, create difficulties for established and new companies in the creative industries, and specifically TV production. In this context, it will be more important than ever for any assistance to the sector to be well-targeted. TAC has held recent conversations with the Minister pertaining to our involvement with the Cymru Greadigol / Creative Wales initiative.
4. A key priority will be to seek to ensure that the Wales Government begins to target specific amounts of investment into enabling companies to grow sustainably, as per our comment in a previous paper to the committee: "What is needed is a fund which is designed to allow companies to boost their ability to research and develop ideas to take to the UK networks, as well as a coherent long-term exercise to promote the Welsh sector to the UK broadcast networks on a sustained basis, to allow those networks no excuse in failing to properly consider what the sector has to offer".¹
5. The current uncertainty over Britain's future relationship with the European Union is causing concern among the Welsh independent production sector, and indeed the creative industries in Wales as a whole, which together represent an estimated £1.6bn². This is due to a number of factors:

¹ Response to the CWLC Cttee inquiry on major TV and film production in Wales. TAC, Apr 2018, p4 para 23

² The Welsh Assembly Government in 2015 stated that 'Welsh creative companies span software and app development, TV and film production, games, music, digital marketing and more, employing around 50,000 people and generating a £1.6 billion annual turnover'. Just Ask Wales – Creative Industries brochure, 2015, p4

The effects of restricting movement

6. Currently, many productions may film on the European mainland, or utilise talent, both in front of and behind the camera, from the mainland. Having tougher visa restrictions and lengthier processes will not only increase bureaucracy, but potentially disrupt productions if the new restrictions prove unduly harsh. This is sometimes already experienced when involved in non-EU talent or locations. The animation and visual effects industry in particular relies on freedom of movement of EU nationals given the shortage of skilled talent here in the UK. DCMS figures show that in 2016, across the whole of the Creative Industries, 6.7%, or 131,000 workers, were EU nationals. This compares with 7.0% for the economy as a whole.³
7. To replace these people with home-developed production talent will clearly take time, and an additional concern is the UK Government's continued emphasis on STEM subjects (science, technology engineering and maths), which is causing a significant fall in the number of young people studying creative subjects in schools.⁴ We note the recommendation of the UK Creative Industries Council in its report on the EU and creative industries in 2017, as follows: "Government and industry should develop a joint action plan for an education and careers system that provides an urgent focus on the fusing of science and creative teaching in schools through STEAM (Science, Technology, Engineering, Arts and Maths), increasing uptake of creative courses and universal access to high quality careers information and guidance."⁵
8. In addition to the concerns regarding the skills base, markets such as MIPCOM, held annually in Cannes, are key to international programme sales and whilst they are not restricted to EU nations, it is an advantage to be able to access them as an EU member.

There is concern at no longer being able to access EU Media funding for skills and non-commercial PSB TV programmes and films

9. Currently, the Creative Europe programme funds skills and media content development on a series of criteria which take into the account the likelihood of that programming being made without such support. EU-funded apprenticeships are very important to the industry. The Committee will note the Creative Industries Federation report on the issues around leaving the EU, which states: 'The UK receives more funding than almost any other country through Creative Europe. The impact has been transformational in many parts of the UK's nations and regions.'⁶ According to a report delivered for the BFI in 2018, Wales received £24.4m, mainly from the ERDF (European Regional Development Fund), during the period 2007–2013.⁷

Potential loss of access to the Single Market

10. A significant number of TAC member productions have been sold into various EU countries in recent years. In its post-referendum paper on the likely impact of the vote on the creative media

³ Sectors Economic Estimates 2017: Employment - Creative Industries Sub-Sector, Department for Digital, Culture, Media and Sport, 26 July 2017

⁴ GCSE results confirm continued collapse of arts in schools. Arts Professional, 23 Aug 2018.

<https://www.artsprofessional.co.uk/news/gcse-results-confirm-continued-collapse-arts-schools> . Accessed 8 Oct 2018

⁵ Creating a New World View: Priorities for the UK's creative industries following the decision to leave the EU: A paper for Government by the Creative Industries Council. 2017, p6

⁶ Brexit Report, Creative Industries Federation. Oct 2016, p29

⁷ Mapping Study of EU Funding of the UK Screen Sectors 2007-2017, BFI Film Forver / SQW

industries, Enders Analysis⁸ described Single Market access as “a major benefit” because of the “direct access it gives production companies based in the UK to export their output into other European markets.” The report concluded that membership of the EEA was crucial: “Our analysis of the impact of Brexit on display advertising spend and on the audiovisual sector, where we have focused on the TV broadcast and film/TV production industries, leaves us in no doubt that the EEA is the only way forward for a sector that has enjoyed such vibrant growth over the last few years, during which time the UK has benefited hugely from its membership of the EU.”

11. The Creative Industries Federation’s recent briefing on the impacts of a ‘no-deal’ situation stated that: “it would likely mean the EU applies duties and border checks that it reserves for third countries and vice versa, with significant delays. Furthermore, the UK will no longer be part of the Digital Single Market which could undermine digital services’ access to the EU.

AVMS Directive – Country of Origin Principle

12. Currently, some commercial broadcasters (e.g. NBC, Discovery) broadcast to the EU from the UK, but depending on the final relationship with the EU, they may move to mainland Europe in order to continue to take advantage of the Country of Origin Principle which allows them to work under one regulatory regime. If they do move, they may invest less in the UK independent sector, from which they currently commission a significant amount of original content. At present, the UK operates as a highly effective creative hub which is threatened by lack of access to the Single Market and regulations such as the Country of Origin Principle. According to industry consultation specialists Prospero Strategy: “Between 15-20% of UK employment for multichannel operators (about 1600 people) is associated with non-UK channels and this employment could be at risk.”⁹
13. The committee will note that the UK Government’s recent paper on the implications for the media industry if there is no deal when leaving the EU stated that, while other treaties may partially compensate, there is no guarantee of maintaining the same system.¹⁰ The Commercial Broadcasters’ Association, which represents many of the international broadcasters concerned, has continued to call for further clarity in the face of the possibility of companies relocating outside the UK, with all the loss of investment and strategic importance that would entail.¹¹

Negative effects on advertising and therefore broadcaster content budgets

14. Not long after the referendum result was known, ITV lowered its profit forecast¹² and the level of advertising following any leaving of the EU is still a case for uncertainty.

⁸ Brexit - Dismal media outlook. Enders Analysis, 1 July 2016

⁹ Brexit – What does it mean? Prospero Strategy, July 2016, p2

¹⁰ Broadcasting and video on demand if there’s no Brexit deal. UK Government, Sep 2018.

<https://www.gov.uk/government/publications/broadcasting-and-video-on-demand-if-theres-no-brexit-deal> accessed 8 Oct 2018

¹¹ COBA calls on Government to be ambitious on broadcasting. Broadband and TV News, 24 Jul 2018

¹² ITV cuts 120 jobs as Brexit uncertainty slows UK TV ad market. . Guardian, 24 October 2016.

Agenda Item 5.1

Adam Agilar
Dirprwy Glerc Deputy Clerk
Pwyllgor Diwylliant, y Gymraeg a
Chyfathrebu, Culture, Welsh Language and
Communication Committee
Cynulliad Cenedlaethol Cymru
National Assembly for Wales



October 9th 2018

Dear Adam,

Music Services in Wales

I write following the Welsh Government's response to the Culture, Welsh Language and Communications Committee's report 'Hitting the Right Note: Inquiry into Funding for and Access to Music Education' and in advance of the debate scheduled for October 24th.

MEC welcomes the Welsh Government's acceptance of recommendations 3, 4, 7, 9, 10, 11, 15 and 16 and its acceptance in principle of recommendations 1, 13 and 14. In particular, MEC welcomes the Welsh Government's commitment to ensuring that access to music and a music education is available for all those learners who wish to participate, irrespective of location, social background or ability to pay.

MEC reiterates the essential and unique role played by music services as part of a high quality music education and wishes again to express its concerns about the future of these services in Wales in the immediate future. MEC welcomes the Government's response to Recommendation 4 to look with the Welsh Local Government Association at the demand and proposals for models of music service delivery. MEC hopes that the Welsh Government will encourage local authorities to take full account of this six month feasibility study to identify and assess options for delivery of music services when considering their local plans for 2019. The timing of this feasibility study with the full update of the Task and Finish Group's recommendations by December 2018 is welcomed. It is essential that decisions taken locally for the 2019/2020 financial year do not adversely impact on musical opportunities for young people and take full account of proposals for 2020 and beyond.

In this context, MEC particularly welcomes the Government's reference to a National Plan for Music Education, the responsibility for which should lie within the remit of the Cabinet Secretary for Education.

Further to recommendation 9 MEC looks forward to the announcement on precisely how the £1 million per annum for 2018/29 and 2019/20 will be used. This is now extremely urgent as there is less than 6 months remaining in the current financial year. MEC would recommend that, in addition to the funding being used to purchase instruments, it should also be available for repair and maintenance of existing stock; for supporting access to lessons; for supporting beginner and intermediate ensemble provision locally and across local authorities for all of those learners who wish to continue to participate, irrespective of location, social background or ability to pay; and to encourage tuition on 'shortage' or 'endangered' instruments.

If MEC can assist further, please be assured we are ready and willing to help.

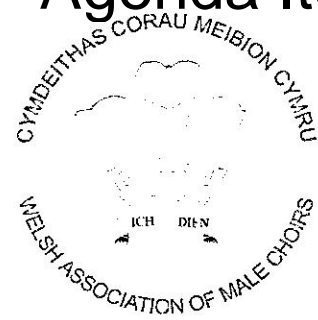
Yours sincerely,

A handwritten signature in black ink, appearing to read 'Richard J. Hallam', with a horizontal line underneath.

Richard J Hallam MBE Chair MEC 2013 to 2019

Registered Charity no 270004

Cymdeithas Corau Meibion Cymru Welsh Association of Male Choirs



o Square,
Abergavenny
NP7 5JT

14th October 2018

Bethan Sayed AM
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

Dear Ms Sayed

Hitting the Right Note – inquiry into funding for and access to music education carried out by the Culture, Welsh Language and Communications Committee of the National Assembly.

I am writing on behalf of the Welsh Association of Male Choirs. The Association has almost one hundred member choirs with the majority being located in Wales; others are based in Australia, New Zealand, South Africa, England, Northern Ireland, Canada and the US.

We have followed the work of this inquiry in recent months and commend the Committee for its work; we support the main body of recommendations. We have also seen the response to the report from the Welsh Assembly Government including the decision to institute a 6-month feasibility study on some of the key recommendations; in our view, this will further delay any action being taken to remedy what is an already perilous situation for music education in most parts of Wales.


In your introduction to *Hitting the Right Note*, you highlighted the importance of music to the culture and heritage of Wales. Nowhere is this better illustrated than in the Welsh male choir tradition with their histories stretching back 150 years and more, with the extraordinary talents of composers, musicians and singers produced by choirs over the years, and the often unrecognised benefits provided by choirs to communities, families and individuals throughout Wales. Music is the sound of the soul of a nation.

We will continue to support the development of the choral tradition but our work can only be made harder if the current lack of support for music education for ALL learners is allowed to continue. The evidence of decline is incontrovertible and action is needed as a matter of urgency. Although the Welsh Assembly Government response to *Hitting the Right Note* discounted a number of the key recommendations, we believe that at least two of them should be reconsidered:

- An immediate thematic review by Estyn would provide an accurate assessment of the position in music education;
- Publish a clear statement of policy on music education from the Welsh Assembly Government in order to provide direction to local authorities in their funding decisions.

The Welsh Association of Male Choirs would be happy to offer any information or support required at either a local or a national level.

Yours sincerely,

A handwritten signature in black ink that reads "Chris Evans". The signature is written in a cursive, slightly slanted style.

Chris Evans
General Secretary
WAMC

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07885 303883
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**Adran Economi a'r Thrafnidiaeth
Department for Economy and Transport**



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: CWL&C Committee 12072018 Film and major television production in
Wales evidence session 16

Bethan Sayed AM
Bethan.Sayed@assembly.wales

11 October 2018

Dear Bethan,

At the Culture, Welsh Language and Communications Committee on 12 July, Mick McGuire, Director, Business and Regions said that he would send the Chair information in relation to the cost of fixing the roof at Pinewood Studio Wales and a rationale for not undertaking a full structural survey prior to purchase of the building. [REDACTED]

When acquiring or disposing of property, it is normal practice for a valuation report to be carried out to confirm that the transaction represents market value. Such reports comment on the condition of the building but do not extend to a full examination of the roof, unlike a full structural survey which would have looked at all aspects of the building.

As the AGW Report noted, the condition of the buildings at the time was observed and reported by the independent valuers as being in a generally reasonable state of repair commensurate with its age and use. No urgent or significant defects or items of repair were noted within the valuation report which would be likely to give rise to substantial expenditure in the foreseeable future or which fall outside of the scope of a normal annual maintenance programme.

As you are aware, shortly before Pinewood moved into the building, a number of water leaks became apparent, mainly in the vicinity of the rainwater gullies. The required roof repairs could have been restricted to these areas. Officials considered the options available and decided to implement a more comprehensive refurbishment scheme costing £979,000. This provided a coating for the entire roof and had the benefit of extending the life of the roof to more closely match the term of the lease. It was also considered that this option would minimise operational and reputational risks, assist with the ongoing management of the property and would make the property more saleable should Welsh Government seek to dispose of the property in the future.

It is almost impossible to accurately ascertain the cost of ongoing repairs to the roof because it would depend on how quickly the roof deteriorated in the future.

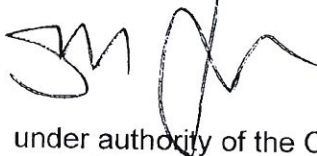
At the time, officials established that circa 90% of the water ingress that the property was experiencing was due to deterioration of the lining of the gutter system. We may have been able to undertake isolated repairs to address the identified leaks at a cost of £15-20K. However, this option would not have guaranteed a watertight building going forward. The property was circa 16 years old. A roof system would usually be expected to have a life span of between 20 and 25 years, depending on the environment that it is exposed to. Consequently, further deterioration could reasonably be expected during the term of the proposed lease to Pinewood. If this deterioration was limited to the gutters more comprehensive works to reline the gutters could be implemented with an estimated cost of £100,000.

However, it is likely that in addition to the issue relating to the gutters there would be future problems with the roofing sheets that make up the majority of the roof. Isolated repairs of this type could be implemented on an as needed basis, but would be unlikely to fully resolve the issue.

Taking this type of reactive approach might have proved cheaper over time, but it would have meant more frequent maintenance and additional financial and reputational risks. For example if filming schedules were impacted or sets damaged due to ongoing water ingress productions could have been delayed with significant budget implications to the production companies.

The property was acquired in the open market with the purchase price taking into consideration the fact that the roof was a significant way through its expected life. The scheme undertaken significantly extends the life of the roof and includes a 20 year guarantee, which would be taken into consideration by a purchaser should Welsh Government seek to sell the property in the future.

Yours sincerely

A handwritten signature in black ink, appearing to be 'JM' followed by a stylized flourish.

under authority of the Cabinet Secretary for Economy and Transport,
one of the Welsh Ministers

Agenda Item 8

Document is Restricted