



European Affairs Committee

Uncorrected oral evidence: Movement of creative professionals

Tuesday 14 September 2021

4 pm

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Members present: Earl of Kinnoull (The Chair); Baroness Couttie; Lord Faulkner of Worcester; Lord Hannay of Chiswick; Lord Jay of Ewelme; Baroness Jolly; Lord Lamont of Lerwick; Lord Liddle; Lord Purvis of Tweed; Lord Tugendhat; Lord Wood of Anfield.

Evidence Session No. 1

Virtual Proceeding

Questions 1 - 11

Witnesses

I: Noel McClean, National Secretary of the Arts and Entertainment, BBC and Independent Broadcasting Divisions at the Broadcasting, Entertainment, Communications and Theatre Union; Craig Stanley, Chair, LIVE Touring Group and promoter at Marshall Arts Ltd; Deborah Annetts, Chief Executive, Incorporated Society of Musicians.

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Examination of witnesses

Noel McClean, Craig Stanley and Deborah Annetts.

Q1 The Chair: Welcome to this virtual House of Lords and to the meeting of the virtual European Affairs Committee. We extend a particular welcome to our three witnesses today: Noel McClean, Craig Stanley and Deborah Annetts. This is a public evidence session on creative professionals following Brexit. Our three witnesses are all very senior within the sector, and I will ask them to introduce themselves when they speak for the first time.

This being a public evidence session, a transcript will be taken. We will send it to you, and I should be grateful if you would notify us of any corrections that need to be made. The format of these virtual sessions is very slightly different from our usual format, in that each Member will be called in turn by me and then have about six minutes to ask questions of you. That will probably last about an hour; we may go a bit over that, but it is important that we gather all the evidence. Given the shortage of time, I ask that questions and answers be kept crisp and reasonably short.

I will open with a question and ask each of the witnesses in turn to answer it. My question is very general. How important is trade with the EU to the sectors you represent, and to what extent does this trade rely on the ability to move people and equipment between the UK and the EU? Perhaps I could start with Noel McClean.

Noel McClean: I am national secretary of the BECTU sector of Prospect. BECTU represents staff and freelancers who work in the creative industries. The easy way to think about it is that they are the non-performing grades; anybody who does not perform can be a member of BECTU. Thank you for the invite. Through you, Chair, I also thank the committee for giving this matter some attention. Our members are extremely grateful that it continues to occupy the attention of senior politicians.

Trade with the EU in the sector we represent is hugely important in income to our members, in contributions to the UK economy and in tax receipts, as well as in cultural exchange, to which, unfortunately, the TCA seems to have put a severe halt. In touring in particular—hopefully, today we will get a chance to talk about the range of touring that BECTU covers—it is predominantly music but also touring theatres, for example.

It is not unusual to find many of our members earning up to half to two-thirds of their income, and spending half to two-thirds of their time working, in the EU. There is a range of things, such as music tours and touring theatrical productions. Many of them infill their time between gigs, tours or engagements with corporate and hospitality work, all of which has come to a stop. In the summer, we saw adverts for things such as corporate events and holiday destinations that require AV services explicitly stating that UK passport holders need not apply. The impact has been incredibly severe for some of our members on their income, tax

receipts to the UK, the contribution to the UK economy but also, very importantly, the cultural exchange between us and the rest of the EU.

The Chair: Thank you very much indeed. That was very helpful. Can we go to Craig Stanley?

Craig Stanley: I work for Marshall Arts, and I am a leading producer, promoter and agent for major international artists touring worldwide, particularly in Europe. I am also here as chair of the touring group LIVE, which is an industry group that has come together, formed of 13 trade associations representing over 200,000 people who work in our industry.

Last week, Baroness Barran said that she wanted the creative industries to tour freely. Sadly, that is not the case. We rely on the EU to deliver, and for the security of, jobs. Without our largest and closest international market, the whole economic structure of the touring industry is in peril. Access is essential. This poses a significant risk to everyone across all aspects of the industry. The impact is particularly felt by smaller and emerging artists, and that will prevent the future talent pipeline developing and flourishing. We believe that the UK's premier position as the exporter of great music and technical expertise is seriously at risk.

The Chair: Thank you very much. That was also extremely helpful. Perhaps I could turn to Deborah Annetts.

Deborah Annetts: Thank you very much, Chair. I echo everything that Noel and Craig have said. I am chief executive of the ISM. We have been going since 1882 and have survived world wars, pandemics, et cetera, but it is fair to say that Brexit poses one of the most serious challenges that we have had to face.

Since the referendum in 2016, we have repeatedly surveyed the whole of the music sector as to what is happening to it in connection with Brexit. Year on year, we have found the number of EU opportunities reducing and fear in the sector increasing. That is no surprise given that in our fifth Brexit report, in May this year, 73% of our respondents said they had worked in the EU. They are primarily freelancers, which is a very vulnerable sector of the music community. We represent about 11,000 musicians, but we have not been talking just to musicians who have lost jobs, although that is very widespread. They have lost work or been told that they cannot audition, or their jobs in EU orchestras have been terminated because they do not hold an EU passport.

We have also asked UK businesses what is happening to them. They told us in April this year that 94% of them felt that the TCA had had a negative, or very negative, impact on their business, and 79% feared for the future of their business, as a result of Brexit, over the next 12 months. It is not just the individual freelancer musician; it is right across the whole music industry. We really fear, and from what we can see that fear is borne out, that our industry is in grave jeopardy because of Brexit.

The Chair: Those are three very helpful opening statements. Perhaps I

could hand the baton to my colleague Lord Tugendhat.

Q2 Lord Tugendhat: My question relates to the different impacts on the various creative industries. My impression is that music is probably particularly impacted. Is that true, or do other industries face issues of similar importance?

The Chair: Lord Tugendhat, who would you like to answer that question?

Deborah Annetts: Shall I start as I represent lots of music freelancers? Music has probably been impacted more than anything else at the moment. That is because music tours and has always toured for many years. We see the EU as part of our market, right on our doorstep. It is more important than the UK, particularly for classical musicians. There simply is not enough work in the UK to support classical artists. Indeed, many of our opera singers started their careers with something called a jump-in, which is when they get a last-minute call to go to an EU opera house to fill in. Now, because of Brexit, they are unable to do that. I think we will see a reduction in the number of early-career musicians blossoming into world-renowned stars.

Lord Tugendhat: Does anybody else wish to comment on that?

Noel McClean: It is very similar for us. Lots of our members, even those on the tech side, would get a last-minute call to help fill in, as Deborah explained. That is clearly being cut off. Apart from the costs involved, the sheer bureaucracy and the time needed to get the appropriate documentation in place simply makes that impossible.

Music has undeniably been catastrophically affected, but touring theatre has been too. There is a fair bit of touring theatre from the UK. It has a range similar to other genres of entertainment. There are very small-scale start-ups, emerging talent and people getting experience. There is a very deep impact on those people.

At the other end of the scale, something we need to turn our minds to is soft power. The example I would like to put to you is the National Theatre. When it took "War Horse" out on tour, the impact around the globe and on the UK's standing and the kind of soft power that brought was simply astounding. It is not touring at the moment, although to be fair, that has more to do with the pandemic restrictions than the TCA and Brexit, but I know the National Theatre had plans to take "War Horse" out again. Bear in mind that when it last went out, in 2013-14 I think, it spent four months in Amsterdam alone, and then it went to the rest of the Netherlands and moved on to Germany. The plan for 2024-25 was to take "War Horse" out again on a world tour with a UK cast, UK crew, English language and UK stage management, with a minimum of 30 weeks in the EU before moving on to Australia, New Zealand and south-east Asia. I have been told in discussions with the National Theatre that if nothing changes that will not happen; it will simply be impossible to do.

Music is absolutely affected. Touring theatre has also been affected. I ask Members to turn their minds not only to the economic loss and the cultural loss, but to the soft power loss that will occur around the world.

Lord Tugendhat: I asked the questions in relation to Brexit and both of you have kindly answered that in your response. To what extent do you think the impact of Brexit has been delayed or obscured by the problems of the pandemic? Can one be quite sure that the issues we are talking about are Brexit related as distinct from Covid related? Noel, what do you think?

Noel McClean: Yes, we absolutely can. It is clear that the problems we are starting to see now, and can reasonably foresee happening in future, are definitely Brexit related. It has not been substituted by the pandemic; it has merely been covered up by it. The pandemic has shielded people from the reality of what the TCA brings about for touring.

We knew that a year ago, and people told the Government. We said to them that in a rather perverse and bizarre way the pandemic was giving them breathing space; it provided time. People cannot tour, not because of Brexit but because of the pandemic. They might not be able to tour for some time to come. Therefore, the Government should have used the time that provided to take away, minimise or severely reduce the impact that the Brexit deal will undoubtedly have on the touring industry. I hate to say it, but I have to say that they squandered that opportunity. The time that was available was wasted; they have done nothing in the intervening period. These things are definitely Brexit related. The pandemic has done nothing except hide them for the time being, but undoubtedly it will start to come through.

Lord Tugendhat: That is all very clear. I have no further points to make.

The Chair: We move to Lord Liddle. Lord Liddle? We will come back to Lord Liddle. In the meantime, we will move on to Lord Lamont's questions.

Q3 **Lord Lamont of Lerwick:** On 4 August 2021, the Government announced that they had engaged with EU member states on the issues facing touring performers. They said that, as a result, 19 EU states had confirmed that UK musicians and performers did not need either visas or work permits to carry out short-term tours in their countries. The Government also said that they were engaging with the eight countries that, like Spain, had not reached similar arrangements, but also called on the EU to align their arrangements with what they called the UK's generous rules allowing touring performers and support staff to come to the UK for up to three months without a visa. What was your reaction to that announcement? Perhaps I could put that to Deborah first.

Deborah Annetts: Thank you very much, Lord Lamont, for asking that question. It came as a huge surprise to the music sector when that announcement was made. It happened just two hours after a meeting of the touring group with DCMS officials, and at no point did they say that

they were going to be putting out a press release to that effect. In fact, as far as we are aware, there are no new arrangements in place. All the press release did was to state, quite erroneously, what DCMS considered the current position was in relation to touring.

We wrote an extensive letter to DCMS pointing out the various errors in what it had said in connection with touring. Indeed, we have been engaging with DCMS almost on a weekly basis to try to get the guidance on the DCMS website correct in relation to touring. The press release was incredibly unhelpful. The risk is that musicians will read it and think they are okay, but they absolutely are not. The ISM, at its own cost, has put in place arrangements for musicians to take advice over work permits and visas. It is really important that they get the right advice rather than something that is not correct, which is where we are with the DCMS website at the moment. The DCMS is now calling the press release misreporting, yet it is still on its website. We ask that it be removed because it is very, very unhelpful.

Lord Lamont of Lerwick: You are not just saying it is unhelpful; you are saying it is not correct.

Deborah Annetts: It is not correct. I can go through it, which would probably be a waste of time, but I am very happy to write to the committee setting out where all the errors are. The DCMS says that things are work permit free when it means exemption from a work permit if employed for one day within an overall production. That is Austria. It is hardly visa free if it is just for one day. In Poland, it is 30 days in any calendar year, and in Sweden it is 14 days in a 12-month period. That is the point. The devil is in the detail. Every single state is different, which is why we need to be absolutely precise.

Lord Lamont of Lerwick: Even on those restrictive interpretations—I am not saying you are not 100% right—would that not cover the jump-in artists you referred to earlier?

Deborah Annetts: Unfortunately not, because to get a work permit or visa you have to start about three months in advance to get the necessary paperwork. We have heard from opera singers who have been trying to do precisely that and have found it impossible to get the paperwork through in time to do the jump-in because of the amount of documentation they have to prepare, such as criminal report letters, health records, et cetera, to get as far as even applying for a visa or work permit. You simply cannot do that in less than 24 hours, which is what is needed for a jump-in. The problem is that at the moment visas and work permits take a very long time to organise and can cost upwards of £500, which means there is no point in doing the gig because you will have a loss at the end of it.

Lord Lamont of Lerwick: Would Noel or Craig like to add anything to that very strong statement?

Craig Stanley: Deborah is exactly right. The devil is in the detail. I would go further. Many people I represent think it was a rather cheap PR stunt on behalf of the Government to put that out unannounced. It is not a meaningful policy development.

Like ISM, back in February we published a list of countries where it was moderately straightforward but still needed clarity. That was six or seven months before the Government got round to announcing something. What overshadows that announcement is that for eight countries—30% of Europe—it is extremely problematic. They are very, very important. Spain is one of our top five music export markets for contemporary music, rock and pop. I dare say that for the DJ market it is probably No. 1. The DJ market for dance clubs is a massive export industry, and there and in Croatia it is now problematic territory. The remaining seven of those eight are impacted for filming and for television, as well as for concerts. There are many festivals all over Europe as large as Glastonbury. We might not hear of them in everyday parlance in the UK, but they are major events for developing careers. On Spain, we have told the Government where they should be putting their focus, which is getting a long-term solution. There are very quick wins they could go for, but they seem to be ignoring them and going for the grand gesture. It is very frustrating for our industry.

Work permits are only one part of the bouquet of problems that we all face. There are issues to do with social security and VAT regulations, all of which put acts off and make what are very often marginal economic activities loss-making. Young and emerging artists are simply deciding not to tour, and purchasers—promoters in those countries—are moving away from UK artists and technicians and hiring from inside the EU. We are killing off one of the most vibrant, successful and flourishing industries this country has.

Lord Lamont of Lerwick: Noel, do you want to add something?

Noel McClean: It is exactly the same for us. To validate it from our organisation, for many of our members it was probably one of the most disappointing aspects of the whole narrative. The Government appear to have pulled together pre-existing information, given it an incorrect badge and served it up almost with the pretence that they have been doing something when they have not actually done anything. They have not changed one thing; they have just cobbled together a load of pre-existing requirements and dressed them up in a press release to give the impression that activity had taken place and progress had been made.

The reason why it was greeted with such disdain by our members is that they feel quite insulted. The DCMS, the government department that is supposed to be looking out for their industry, their sector and their interests, seems more concerned about managing media headlines than dealing with the issues that are affecting their lives at the moment. It was a completely unacceptable way to deal with it, and it just shows the lack of seriousness in tackling the issue.

Lord Lamont of Lerwick: Did you ask them to withdraw the press statement?

Noel McClean: They have been—

Lord Lamont of Lerwick: They have been asked?

Deborah Annetts: Yes.

Noel McClean: But it is still there today. The DCMS website still says that, having confirmed with 19 member states, it can now confirm, et cetera. It talks about “up to three months”. It is rather like one of the sales you saw in the high street—when people used to go to the high street—which said, “Up to 25% off”. You go in and find that one thing is 25% off and everything else is 1% or 2% off. It is not treating the issue with the seriousness it needs and deserves.

Deborah Annetts: It also makes us very distrustful of government. If the Government say, “We are doing our best”, and actually seem to have done relatively little and put out misleading press releases and then call it misreporting, it is very difficult to trust them.

The Chair: Thank you very much indeed. Can I ask for a couple of things? Deborah, you very kindly offered to write to us. I think that would be very helpful all round. The three of you have mentioned that the Government have been asked to remove things from the website. I wonder whether there are records of that. If there are, perhaps they could be sent to us as well, as that appears to be interesting.

I am glad to say that Lord Liddle is now back with us and fully operational, but I am going to ask him to be patient for one moment because Lord Wood will continue on the same theme. After that, we will come to Lord Liddle.

Q4 **Lord Wood of Anfield:** My thanks to all three witnesses. You have been very clear and forthright about your reaction to the announcement on the 19th. Perhaps I could ask you about the other eight countries that were mentioned: Spain, Portugal, Greece, Malta, Cyprus, Croatia, Romania and Bulgaria. The Government said they were “actively engaging”—the phrase they used—with those member states about visa and permit-free touring possibilities. Starting with Deborah, could you fill us in on your understanding of what those discussions involve, if you know anything about them at all? We heard earlier about Spain being crucial. Can you give us a sense of the importance of those countries for the different industries that you represent?

Deborah Annetts: As a group, we have been pressing DCMS to share with us the timelines in connection with speaking to their contacts in those various states. So far, DCMS has been unable to share any kind of timeframe with us. We think there was some kind of meeting with Spain. There was supposed to have been a meeting with Romania, which was cancelled. That is all we know.

We think that some contact has been made in relation to getting the guidance right vis-à-vis visas and work permits, but we have heard of no material discussions whatsoever in relation to negotiating bilateral agreements. That is causing a great deal of frustration on our part. Craig, perhaps you could answer the Spanish point because you know much more about Spain than I do.

Craig Stanley: I am also part of an organisation called the Concert Promoters Association, which represents all the concert promoters in the UK, and there is an equivalent in Spain. We have been in contact with it, and the chairman of the CPA in Spain has been in contact with the Spanish Government in Madrid. We are getting more information from Madrid than from our own Government. We have also met staff in London to try to understand their thoughts and concerns and why they are making it more difficult for us to tour there.

Deborah is right. We have pushed very hard for a timeline and a schedule of when meetings are taking place, but it has not been forthcoming despite repeated requests. For example, on Spain there are things they should be doing straightaway. If you apply for a Spanish visa in this country to work on a short-term basis for cultural activity, you are directed to London, Manchester or Edinburgh. Unfortunately, each of those three has a different interpretation of the same regulations.

London will tell you that you have to apply for a C-class visa for Spain if you are a musician and a D-class visa if you are a technician. You get different information in Manchester and Edinburgh. The difference is between €113 for a C-class visa and £232 for a D-class visa, plus a whole pile of documentation, which, as Deborah said, can easily push the figure up to £500 per person. We can all do the maths ourselves. If you have an 80-piece touring party for an orchestra, it starts to be uneconomic to tour, let alone the weeks and months it takes to process all of this. A lot of it has to be in Spanish, so you have to pay for it to be translated to make an application. We asked the Government whether they could speak to the Spanish Government and say, "We understand you have regulations, but can you make them more streamlined and at least get agreement between the three places?" They could have a number of appointments. If you try to get an appointment today, the earliest you get is mid-October. That was last week. My feeling is that the first time you can get an appointment is probably the end of October.

The last thing is that for certain categories of visa there are biometric requirements, which effectively means fingerprints. Every time you make an application you have to go in person, prove who you are and provide your fingerprints, even though you might have done it a month earlier. We are just asking: can the Government not be reasonable with the Spanish Government and simply ask, "While we are getting these matters sorted out, do these quick fixes. Fingerprints do not change. Can they last for a year, please"? We have said that. We have written to the Government and had no response.

The industry is working hard to try to find solutions. We have said it to the Spanish Government as well through our connections in that country. In fact, the industry is leading it, dare I say it? We have lost confidence that the UK Government are doing something. I would love to be proved wrong. If they can provide the information to prove that I am wrong, I would be most grateful.

Lord Wood of Anfield: Thank you. That is a very vivid example. I guess that leads to the more general question of what kind of solution to these problems you are looking for. The Government seem to be taking a member state by member state approach and are resistant to an EU-wide approach, but on these issues, ranging from carnets to insurance to visa terms, what is the preference of the industry that you represent? Perhaps I could start with Noel this time. Is the preference for it to be an EU-wide approach across different industries, a sector-by-sector approach or a member state by member state approach? What would you prefer, and what do you think is more likely?

Noel McClean: It is probably driven more by the competencies of individual EU member states than those that our members may or may not have. Some of these issues can be resolved at EU level; some of them are the property of EU member states. It is a difficult question to answer because, whatever our members may prefer, it may not, given the competencies, be what is actually possible. I think that is the best way I can answer.

Lord Wood of Anfield: Thanks. Deborah?

Deborah Annetts: I like to think of these things as different buckets. I find it helps my brain. There is one bucket that can be sorted out only at EU level, and that is what we have been advocating: the visa waiver agreement. That would sort out the visa problem, but it has to be negotiated with the EU.

Then there are things that actually come within the TCA. I am sure we will hear Craig talking about cabotage and all the difficulties around that. That can be solved only within the TCA. Then there are things like work permits that fall to the member states, and that is where the bilaterals come in. Then there is stuff that the UK Government should be sorting out. We still have tremendous confusion about carnets. The issue with something called CITES would be really helped if we could have Eurostar as a designated port. We need clarity around merchandise and VAT, and a lot of that is down to the UK Government. Where the solution lies depends on the issue, but we need more activity and leadership from the UK Government.

The Chair: That is an excellent point to segue to Lord Liddle's question.

Q5 **Lord Liddle:** I apologise that I was muted first time round. This question is about why we are where we are in this mess. When the issue came up in the negotiations, the EU said it had offered some kind of exemption from visa requirements: a visa waiver for short-term visitors. When we

asked Lord Frost about this before the summer holidays, his answer was that we could not have that because it would be “inconsistent with the Government’s manifesto commitment to take back control of our borders” and end free movement. He went on to say that anyway the visa waiver would not be satisfactory as it did not properly cover touring activity. I would like your reaction and your interpretation of the history of this sad mess.

Deborah Annetts: I think we would all be in a better place if there had been more involvement of the performing sector during the negotiations. Unfortunately, we were not brought in to assist the Government in relation to what would and would not work. From all the guidance I have taken, including from a leading QC, we do not believe that the Government’s proposal of the mode 4 mechanism would have worked, given the intricacies of touring. We have to remember that this is touring, not immigration.

The EU offered some form of visa waiver agreement. We do not have the details of what the parties were saying to one another, but we believe that would be the basis on which to go forward. We have to remember that any draft agreement can be amended and changed so that it is acceptable to both parties. We do not believe that a visa waiver agreement focused purely on touring would undermine any of the Government’s red lines in relation to immigration. It could be restrictively drafted so that it literally covered just the performing arts, and dovetailed so that it supported touring. We think that is the best way forward. All the parties should start again and see whether we can come up with something that actually works.

Lord Liddle: Noel and Craig, do you basically agree with that?

Craig Stanley: I do. All musicians are a positive force. That is the reason why they make and play music. In particular, rock and pop musicians are concerned about the future and new things. We are not really concerned about who said what and how, and what happened in the past. It is sad that when I met Lord Frost, he repeated the same lines. This flim-flam has to stop. All we require is clarity, openness and active engagement. It is a trade issue, not an immigration issue. Noel, Deborah and I are in complete agreement that it is not breaking down and eating into the ideology of the party on immigration; it is a trade issue.

Lord Liddle: In that case, do I draw the conclusion that the starting point of a long-term solution has to be some reopening of the TCA, as is provided for under its provisions for such revisions? Do you all think there has to be some reconsideration of the actual terms of the agreement?

Deborah Annetts: It depends on what you are looking at. Something such as cabotage falls within the TCA so that is where the solution lies, but a visa waiver agreement could easily be a side letter, negotiated quite separately. It would not affect the integrity of the TCA. It just needs both parties to talk to one another and come up with a workable solution on visa mobility for musicians. As Craig says, this is a trade issue. Music

is worth £5.8 billion per year; the creative industries are worth £116 billion per year, which is the same as construction or finance. Not to come up with a solution is madness.

Lord Liddle: Thank you.

Q6 **Baroness Couttie:** I would like to move to the temporary movement of goods associated with touring. You have touched upon cabotage and the requirement for carnets. I would like to get your perspective on exactly what the barriers are now and what sort of solutions might be offered. Perhaps we could start with Deborah, and then go to Noel and Craig.

Deborah Annetts: I will talk very briefly about carnets, but perhaps I could then pass over to Craig, who is the world expert on cabotage.

We have been talking to DCMS about carnets since 2018 because we knew then that there would be a problem. Unfortunately, in 2021, three years on, we still have not got to the bottom of whether or not you need a carnet to take a musical instrument with you to work in the EU. The advice on the DCMS website keeps changing, which is really unhelpful. There are also issues about the treatment of merchandise and VAT. All of this comes back to HMRC. One of the problems with Brexit and the creative industries is that it touches on so many government departments. We understand that it is problematic, but it means that we are not getting to the bottom of the solutions, which I am sure you will hear about with cabotage and the Department for Transport.

Craig Stanley: I must agree. The whole industry feels that those negotiating the TCA did not really get to grips with or fully understand the economics of our business, how we work and the implications of what they were negotiating. It is very frustrating because as a sector we wrote to the Government way ahead of 1 January to say that this would be a major problem.

I have to admit that since 1 January officials have been extremely well engaged with us, but at ministerial level that has been non-existent. Grant Shapps needs to get involved, roll up his sleeves and make a decision. My understanding is that at the moment his department is contemplating three actions. The first is to do nothing. That is completely unacceptable. This is to do with cabotage and cross-trade. The cabotage restriction effectively means that, if a UK-based operator moves his or her truck from the UK into the EU, they can make three stops and then that truck has to return to the UK. Clearly, if you are doing a 15 or 20-date European tour, that is unworkable. People say, "Why doesn't Europe pick up the shortfall?" The problem is that we have enjoyed about 80% of the market share of the European haulage industry for contemporary music and the movement of instruments and equipment. There are simply not enough trucks in Europe to pick up the slack. Come next May, when, hopefully, Covid has passed and we are allowed to tour fully, there will not be enough trucks to fill all the engagements.

There are two other options being considered by Grant Shapps that have been suggested by his officials. One is called reverse easement; the other is dual registration. Both have pros and cons. I am more than happy to write to the committee to explain them because they get quite technical. Unless there is a decision soon, decisions cannot be made by specialist hauliers about their future. So many of them are drifting away from the industry that we simply do not have the trucks. Quite simply, no trucks means no tours. There is no greyness whatsoever about that.

In the orchestra world, they use what are called own-account vehicles. The orchestra owns the vehicle, with the purchase often supported by UK Government funds, and it is encouraged to drive it around Europe to earn export money to support the orchestra. That truck will have to return after three stops. If you have more than three shows, that specialised truck, which is air-conditioned and has special suspension and brackets at the back to support the instruments—the drivers are specialists in packing that truck—cannot tour in Europe. The major orchestras face a quandary next year as to whether they can even tour.

Baroness Couttie: You say that at the moment the Government are looking at three options. Do you get a sense of any momentum in making a decision about which to go for, or is it just being pushed out?

Craig Stanley: If you had asked me that question in March, I would have said it would be in a few weeks or a month or two; if you had asked me in June or July, I would have given you the same answer. They were still telling us it was on his desk and being considered. Grant Shapps needs to get involved and make a decision. It could be tabled before Parliament as a special instrument in the next Session.

The problem is that one of the solutions means that successful UK companies are being encouraged by the UK Government to set up offshore, and start operations and re-register their trucks in Holland, Ireland or Belgium, for example. They will take successful British trucks and make them French, Belgian, Dutch or Irish. They will have to go through a whole pile of European legislation and regulation to allow those trucks to work, and they can then undertake European touring. However, they cannot return to the UK unless Grant Shapps gives an easement to our own cabotage regulations, which means they can only make three stops in the UK before they have to go back. It is a Kafkaesque situation par excellence.

Baroness Couttie: Listening to what you and Deborah have said, it almost sounds as if we need a cross-departmental task force to look at the touring industry to try to get to the bottom of all these issues, as well as the specific ones Grant Shapps needs to look at. Noel, do you have any comments you would like to add?

Noel McClean: I agree with those comments. Part of the problem is that the departments have been blaming each other. That is the reality of what we have been dealing with. Some form of cross-departmental working or accountability could only be helpful.

I would not add anything to what Craig said; he is the expert. The only thing is that many of our members have explained to me that they have long-standing relationships with some of the big acts from the US. In the past, when they have toured in Europe, they have come to the UK, set up a tour base in the UK and then gone off to tour in the EU. Our members would obviously go along with them and carry all their electrics, sound, lighting, AV, et cetera. If nothing changes, clearly that will not happen in future, so there would be a loss of UK ability. The US used to have a foothold in the UK for the European leg of a tour, which will be almost impossible going forward.

The Chair: Thank you very much indeed. We move to Lord Hannay.

Q7 **Lord Hannay of Chiswick:** Kafkaesque certainly seems to be the right word for this. In his letter to our Chair, Lord Frost said, "the touring sector will need to adapt" to the new haulage requirements. What are the Government doing to support this adaptation? Is more support needed? Is the adaptation actually happening at all?

To go a little bit wider, because quite a lot of the questioning seems to move in that direction, is the fundamental flaw in the advice the Government are giving that they are determined to go down the bilateral route when they cannot on their own solve all the problems? Should there not be a case for moving back? Do you have any evidence at all that the Government have even discussed this matter in the governance machinery of the TCA, which is perfectly capable of being used to discuss informally ways forward? Do you think the Government have done anything, or have they just dug in saying, "Bilateral, bilateral, bilateral"?

Deborah Annetts: Perhaps I could start and then hand over to Craig again on cabotage. In the latest letter from DCMS, we were told that the partnership council meets once a year, so we have already had that meeting and there is no date for the next one. We are extremely concerned that the mechanism in the TCA to assist in sorting out problems is not fit for purpose to start with. We also believe that there needs to be a fundamental overhaul.

If we go to the heart of this, the Brexit architecture does not align with how touring works, and bilateral agreements will take us only so far in relation to one of the issues. It does not sort out cabotage, carnets, tax, et cetera. We need to go back to the TCA. That would be overwhelmingly brilliant for our sector, but I very much doubt that it will happen.

Craig Stanley: There is a hierarchy of priorities for visas and the movement of people. We have real people in real jobs trying to put on real concerts. We are very pragmatic, particularly in the rock and pop world. We want to find solutions. Entering into bilateral discussions immediately will provide short-term, quick-fix work-arounds. We honestly believe that the Government need actively to get themselves engaged in those bilaterals, notwithstanding the longer-term aim to get a comprehensive industry-wide exemption. I believe that a two-stage process is necessary.

On cabotage, there is no evidence of any engagement between Lord Frost's team and DG MOVE, the EU department responsible for vehicle movements in Europe. I have secured a meeting at director level with DG MOVE next week. I am taking with me representatives of the haulage industry, including the chief executive of the Road Haulage Association and owners of some of the largest operators, together with Europeans, to find out from DG MOVE directly what its issues and problems are to see if we can find a work-around, and to make clear the economic detriment to European businesses if UK artists cannot tour in Europe, because venues will remain empty and tickets will be unsold.

Lord Hannay of Chiswick: The evidence I saw this summer when I spent seven weeks in France was that the music festival scene—a rather snide remark was made, when I asked a question in the House, about my taste in music—was coming alive again. Can you quantify at all what we are now losing from this?

Craig Stanley: The trouble is that it has been entirely masked by Covid and its restrictions. Festivals throughout Europe, including the UK, have been severely handicapped, so it is not possible to predict what you will lose when at the moment the industry is not working.

Deborah Annetts: I think job opportunities are being lost. Certainly, in the classical sector musicians are losing work; they are not getting auditions and doing the jump-ins I described. It is very difficult for the small jazz trios that used to tour Europe to do that at the moment. A lot of it is because the cost of the visas, work permits and all the issues around what are called splitter vans are making it uneconomic for them to go out and tour. Our fear is not only that it is going to harm the UK economy, but that musicians will either leave the profession or move to Europe. That is a trend we are seeing. Classical musicians in particular are moving to Europe because that way they can get work.

Lord Hannay of Chiswick: Thank you very much.

Craig Stanley: Chair, may I return to an observation made by Baroness Couttie about some sort of working party? Oliver Dowden, the DCMS Secretary of State, chaired a meeting on 20 January 2021 where he set up a working party. I was co-opted on to that group, in which Deborah is also a participant. I believe that Noel is a participant, but perhaps he could confirm that.

The group started to meet in February, under the chairmanship of Caroline Dinéage, Minister for Culture. Sadly, she has not made the last few meetings; her officials have chaired them. We have met regularly throughout that time. It is quite right for the Government to claim, "We are in consultation with the industry", but the fact is that we go through the same agenda, and every single meeting is Groundhog Day. I see Deborah nodding.

Deborah Annetts: You are absolutely right. All the really fundamental questions—timeframes, outputs, where we are going, outcomes and

strategy—are not being tackled. We feel we are going round in circles without coming up with the solutions we need as a sector. The sector has supplied so much material to government. At the ISM, we have supplied all of our information about visas and work permits. We said, “Have all of this. Stick it on your website”. We have put together names of people who could assist government in relation to advice on visas and work permits. We have really tried, but there is a lack of commitment from government.

The Chair: Thank you. That is very clear. We need to move on. Craig, in answer to Baroness Coultie earlier, you said you would write to us. That is a second letter. We would be very grateful if you could write, please. We will move to Lord Jay.

Q8 **Lord Jay of Ewelme:** Thank you for the very clear evidence you have given us so far. As I understand it, the Government are inclined to say that, now the negotiations are concluded, their focus should be on helping the creative industries to adapt to the new environment that now exists. Is it your impression that that is the view of the Government, and do you think that it is the right view or in any way acceptable?

Deborah Annetts: When I saw that statement, I was surprised because it was the first time I had seen it written down anywhere. I am not sure that there is a strategy at the moment from government. The sector has been putting forward various solutions and proposals that have not got anywhere. We heard that from Craig in relation to cabotage and on the visa waiver agreement from the ISM’s perspective. We have been putting forward solutions but nothing is happening with them. There is still no clarity in relation to carnets—still not done; and Eurostar as a designated port—still not done. There is a lot of stuff the Government could be doing that has not been progressed at all. They are not helping us to adapt, even though we are putting forward solutions that would be of huge assistance.

The other thing we put forward some time ago, in particular for early-career performers, was some kind of compensatory package to support them while they are finding their feet. This is important both for rock and pop and for classical. There is very little difference between genre in the adverse impact from Brexit. We have been suggesting solutions and adaptations, but nothing is happening at the other end.

Lord Jay of Ewelme: To an extent, these are things that the Government could resolve on their own, but presumably some would require further negotiations with the European Union.

Deborah Annetts: Yes.

Lord Jay of Ewelme: Do you split those two in your own mind?

Deborah Annetts: Yes. It comes back to my bucket analysis. There are some that go to the EU, some that go to the member states and some that belong to the various government departments, such as carnets, CITES, designated ports, et cetera. There are some things that

government could be sorting out now, together with the compensatory package for early-career musicians.

Lord Jay of Ewelme: If they were to say, "As far as the EU is concerned we have really gone as far as we can, but we will focus on the things we can do to help you", would that be a help, or to what extent would it be a help?

Deborah Annetts: It would be a bit of a help, but somebody needs to pick up the phone for the UK Government and the EU to have a conversation about mobility and cabotage. Those are the two big issues. Somebody just needs to talk.

Lord Jay of Ewelme: Noel and Craig, could you make some comment on those points?

Noel McClean: On Deborah's point, there is no sign of any government support for any adaptation or looser arrangements. It sounds like another one of those statements. I was surprised to see that; it was the first I knew of it.

My only assessment of it is that it is a statement dressed up with talk about non-existent support, and pretty much says, "You need to stop banging on about this". The only thing I would say is that the support has not come through and there is no sign of it coming through. I do not think we can agree the substantive point about just accepting what we have. It is too important and matters too much for us just to say, "Okay. There you go. That's it". I do not think we can do that. As Deborah said, we need government to roll up its sleeves, pick up the phone and put some work and proper effort into this, because so far all we have seen is just showmanship.

Lord Jay of Ewelme: Craig Stanley, do you have any comments?

Craig Stanley: I heartily agree with the comments made. One thing I would add is that very early on, even back in March or the beginning of April, as a group LIVE wrote to the Government urging them to consider what we had titled a transitional support package. That TSP was to mitigate the disruption while negotiations continued. They promised that they would look at it seriously, and nothing has been done.

The TSP would give financial support and regulatory relief to struggling companies, in much the same way that the Government have looked at the fishing industries and given them £23 million—an industry less than a quarter of our size. They need to prioritise emerging talent and those hit hardest by the new regulations, predominantly the smaller operators who do not have the resources or capacity to go through all the red tape. They need to look at those on stage and those behind the stage, technicians as well as musicians. All of this is a transitional arrangement and a stepping stone towards the formation of a UK music export office.

Caroline Dinéage and, I believe, Oliver Dowden made public statements about that. This is going back months, which is why my memory is a bit

hazy. It was so long ago. Absolutely nothing has been done. For the creation of an export office properly constituted and thought about, there are models in Canada, Australia and many other countries that they can look at to understand how they work. This would be in addition to their existing schemes for developing new talent; it is not a substitute for them, and we would have an integrated export office for one of the most vibrant and flourishing sectors in this country.

Lord Jay of Ewelme: If that were done, it would be a real help to you, and there are examples elsewhere on which the British Government could, if they wanted, model it.

Craig Stanley: They say they are doing it, but they have given absolutely no evidence that they actually are doing it. Again, it is just flim-flam.

Deborah Annetts: It is part of the solution, not the whole solution. You still have to come back to visas, cabotage and work permits. That is the point. There is some nitty-gritty legal stuff that needs to be sorted out.

Lord Jay of Ewelme: Those are very helpful answers. Thank you.

Q9 **Baroness Jolly:** In the absence of a further negotiated agreement, to what extent can the problems facing the sector be addressed domestically on a unilateral basis? If so, what steps should the Government take? Could you comment on the quality and timeliness of government advice, guidance and support to date? I am sorry. That is a bit of a tongue-in-cheek question because you have answered quite a lot of it already, but perhaps Deborah could answer the first part of my question.

Deborah Annetts: We probably sound a bit like broken records now. The music sector, and indeed all the creative industries, have been attempting to engage with the Government in relation to post-Brexit arrangements. We have certainly done that since 2018 when we realised the implications. We are still struggling with the guidance from DCMS. In a survey of music industries in April this year, only 9% of music businesses found the DCMS guidance adequate, which is pretty bad. There is basic stuff like getting the advice right.

We have concerns that they have been using people such as Deloitte to put together the guidance on touring for musicians on the DCMS website at a cost of £200,000. Deloitte knows very little about touring musicians, visas and work permits. It is a highly technical area, and there are just a few specialists working in it. We urge DCMS to use those rather than a large accountancy firm. We have provided all of that information as well, but nothing has happened. The resources are out there and the sector is willing to help. Every two weeks, our organisation writes to DCMS to tell it where the website is wrong. It is not that we are not trying; we are trying, but the Government need to get their departments together and sort out stuff, like guidance on carnets, tax, CITES, et cetera. It should not be that difficult.

Noel McClean: I support the comment on the quality of DCMS guidance and support. It is pretty woeful. On the question of whether it can be addressed domestically, from some of the discussion we have already had this afternoon I do not think it can be. Another thing worth pointing out is that the UK was a net exporter of technicians and tech skills, which tells you two things: first, we are very good at it and are well regarded; and, secondly, there will not be enough work in the UK to support all the people who can no longer work in the EU. Politically, economically and even practically, I do not think there is a domestic solution. They need to get involved in some real work.

Craig Stanley: On the government advice, I urge you to go to the government website and see whether you can navigate it yourself. It has fallen short in detail, clarity and accessibility. It is too late, too muddled and too little.

There are practical and real things they could do in this country. In my letter, I will explain what Grant Shapps could do unilaterally by a reverse easement option. At least that would facilitate some movement on the larger tours. It does not help the smaller-scale tours, but at least it is something. For example, carnets are an additional cost. Even for a small artist, it might be £400 or £500 of additional annual expense to get a carnet, because you have to buy it from the London chamber of commerce, or other chambers of commerce, and then put up a bond. It could cost £500. That is an awful lot for a struggling musician or a young band going out. I have suggested to the Government that they could offer grants to cover that. They could negotiate with the London chamber of commerce to give a cultural exemption or a cultural rate for a fixed period of time. That could be done tomorrow. I have had absolutely no response to that suggestion.

Like Deborah, we furnished them with names of experts in the visa and work permit industry who say they would welcome being appointed by the Government as a small team to advise them on what is needed, together with first-hand, real evidence of what is happening on a day-to-day basis. They are moving people now, but it is only a small percentage of what will happen. They could bring real-life experience to the question.

Baroness Jolly: Thank you very much.

Q10 **Lord Purvis of Tweed:** Earlier, Craig said that we should not look back too much but look forward. I want to ask a quick question before I put my substantive one, and I am afraid, Craig, that it is looking back a little bit. Both the Government and the EU refused to release or make public their market offer when they released their draft negotiating texts for the TCA. Do you know, however, whether the Government consulted on what their market offer in the negotiations might be? Do you know whether any organisation outside government was consulted, or has anybody seen what the market offer is? At the moment, we simply have to rely on a Minister saying that the offer was more generous than what the EU had offered. Do you know whether anybody had seen it?

Deborah Annetts: I was appointed to the Department for International Trade's trade advisory group for the creative industries in about 2019. I thought we would be consulted on the nuts and bolts of the TCA. At various meetings, we asked for an update on mobility because that was the most pressing issue at the time. We did not realise how dire cabotage was going to be. We were told repeatedly not to worry because everything would be dealt with via mode 4.

At that point, I went to the Institute for Government and asked its advice on mode 4 because I had never heard of it before. The institute advised us that it did not think it would work for a number of technical reasons, so I was very sceptical as to whether mode 4 would work in this particular set of circumstances. When the whole thing fell apart, as we learned at the end of 2019-20, it became very clear that we were going to end up, as we started 2021, with real difficulties around mobility.

Despite requesting it, I have not seen the mode 4 proposal. I know the Government have said, "See, it worked with the EFTA countries", but those countries are very different. We still think that, if there is willingness on the part of both the EU and the UK, we should be able to solve this particular problem. Our perception is that it all got too difficult, everything was rushed at the end and the creative industries simply fell off the agenda.

Lord Purvis of Tweed: Thank you. Do Craig or Noel have anything to add?

Craig Stanley: I have no knowledge of anyone in the rock and pop industry being consulted on the movement of people. The Government were warned that haulage would be a major issue many months, if not longer, in advance of 1 January. In the haulage industry they know the regulations because they drive the trucks in Europe, and they warned the Government that this would happen.

Lord Purvis of Tweed: Your combined frustrations have been very clearly outlined today. Could I ask you to comment on whether your European colleagues feel similar frustration, if you know that is the case, with either the EU or the UK when they enter the UK? I do not know whether Noel can speak about his union colleagues who may represent members in the European Union. How would you describe the difference in the approach for EU creative professionals and artistic professionals entering the UK for work and those in the UK going into Europe?

Noel McClean: As an independent trade union, we are affiliated to UNI-MEI and have other international affiliates. We meet with UNI-MEI, which is the European-wide organisation for trade unions particularly in the creative sector. It shares concerns about skill shortage, equipment shortage and haulage and specialist equipment. As Craig said, 85% of it is in the UK. It also has concerns about cultural exchange and the richness that brings in developing culture. We discuss those concerns when we meet.

We are making approaches to the European Union. We have written via UNI-MEI to Ursula von der Leyen impressing on the European Commission that this is a European issue, not just a UK issue, but clearly the impact is felt more severely in the UK. As for arrangements the other way around—EU citizens or EU professionals working in the UK—I defer to Deborah because she probably has a better grip on it than I have.

Deborah Annetts: There was a meeting with Julian Knight, the Chair of the DCMS Select Committee, at a webinar on the future of EU-UK relations. He voiced his own frustrations to Lord Frost. That webinar took place last week, so it is probably well worth having a look at it.

In relation to incoming EU nationals, we have to look at the regulations from the Home Office. They are split into two groups based on whether you are a visa national—you are treated in one way if you are a visa national—or a non-visa national. EU people will be non-visa nationals, so they are not treated as rigorously under the Home Office rules as they would be if they were visa nationals. That is a really important point to remember.

Of the three most common ways in, the first is permitted paid engagement that lasts for up to 30 days. That is problematic, and lots of musicians find it very difficult to get through Border Force. Instead, they tend to use something called a CoS or tier 5, which is the temporary worker route. That is more favoured and is used particularly at festivals. Other tiers are applied to orchestras, et cetera. CoS/tier 5 is the one used most often by incoming musicians.

We have been talking to the Home Office for about two years to try to sort out its website, because navigating it is really difficult. Access to the UK, if you are a musician, is not that bad. That is why it is so strange that Lord Frost keeps talking about red lines and immigration, because our touring routes in are now more favourable than they are for UK musicians in many EU states. We have unwittingly managed to create an un-level playing field against the interests of our own UK musicians, so we have scored an own goal. People have to look at this entirely in the round, because we want some kind of reciprocity, which again goes back to trade. We should be able to manage this, at least starting off, possibly, with the Home Office regulations, which are quite flexible.

Lord Purvis of Tweed: Craig, do you have anything to add?

Craig Stanley: The inbound system is not perfect, and Deborah has accurately described it. The Home Office says it wishes it to be streamlined, and acknowledges that. There are places where it could be made a lot more straightforward, particularly on the public-facing part of its website. The problem with permitted paid engagement is that it is down to the discretion of the Border Force official to interpret the documentation presented. There have been lots of instances of confusion at the border as to who is and is not a musician or technician. We would like to see that removed. We are working with the Home Office and

welcome its input, but it is dragging its feet. It says that it is going very fast; we think that two years is quite a long time.

The second thing is that the pressure at the border is now so great to get people through and not allow queues. As well as speaking anecdotally, we can document certain examples where artists have arrived with a temporary worker tier 5 certificate of sponsorship. They have to get it endorsed, literally stamped, at the point of entry. The problem is that they are being forced to go through electronic gates, even though the applicant says, "I cannot go through this gate. My visa will not be stamped. I will be invalid". People such as me are sponsors of certificates. It is down to the person employing the worker to fill out the paperwork. It is my responsibility to make sure it is stamped, even though I am not there. It is a most bizarre situation that we have people working illegally in this country because their paperwork has not been stamped.

The Chair: Thank you very much. We have spent quite a long time on that and we need to move on. The final question is from the very patient—the ever-patient—Lord Faulkner.

Q11 **Lord Faulkner of Worcester:** I would like to echo what Lord Purvis said at the beginning of his questioning and say how refreshingly clear and straightforward your answers have been this afternoon. You are three very impressive witnesses; thank you very much indeed for coming to help us. I am asking a sort of "Is there a silver lining?" question. Are there any opportunities post Brexit that you have identified for the sectors you represent and that you think the Government ought to pursue? Is there any hope anywhere?

Deborah Annetts: I cannot see any. We try to be positive, but it is really difficult. This is a sector, as Craig said, that likes to look forward. It is all about creativity, collaboration, excitement, and bringing hope to people and humanity. Right across the sector, whether you are pop and rock or classical, musicians are being frustrated in carrying out their calling. It is incredibly sad to see professional colleagues giving up to become accountants or something like that. I ask this fabulous committee to do what you can to encourage the Government to show some leadership and sort out some of the problems we have shared with you this afternoon.

Lord Faulkner of Worcester: Are there any comments from Noel or Craig?

Craig Stanley: We were promised that the red tape would be removed. Sadly, we are now drowning in red tape in order to tour in our most important, influential and closest market. Beyond that, internationally, we welcome that we can go to EFTA. I look forward with pleasure to booking shows in Liechtenstein.

Lord Faulkner of Worcester: That was to be my supplementary question. You are given the chance, according to the Government, to

have touring operations in Norway, Iceland and Liechtenstein.

Craig Stanley: As a company, over the last 40 years, that is what we have done.

Deborah Annetts: Yes, absolutely. Only heavy metal will be heading out to Iceland; we will not see many opera singers going there.

Noel McClean: If you look at that particular announcement, the scale of impact is minuscule. It plays back into the same thing. I would like the issue to be sorted out, obviously, but before we get to that point, just stop with the silly headlines; stop the triumphant heralding of minor baby steps forward; stop pretending you have done stuff and it will make a difference.

These people have been in this industry the whole of their working lives and they know it. They know when somebody is trying to kid them; when they look at this, they know somebody is trying to pull the wool over their eyes and, frankly, they feel insulted by it. I made the point to DCMS that you could put every single citizen of Liechtenstein inside a stadium the size of Wembley and it would still be two-thirds empty. It would be churlish to say it is not progress, but it is minuscule. Stop talking about it as if you have put in lots of work and made lots of progress. That would be my one plea. Get real. Start being honest with people, because they are too smart to have the wool pulled over their eyes.

Lord Faulkner of Worcester: I do not think I can add anything to that.

The Chair: Thank you very much. I was going to put a sweeper question and ask whether there was anything else you wanted to express, but I think you have been super-frank and we have gone super-over time. Is there anything that we have not asked? I hope not. If there is, please write to us.

I will describe briefly what will happen from here. I thank both Deborah and Craig for volunteering to write to us about specific matters. We look forward to that. I ask the three of you generally if you have evidence of requests to take down items from the website. That would also be helpful. As a committee, we are likely to write a letter and take the matter up through correspondence. We are likely to consider the draft letter in the early to middle part of next month, to give you some sort of timing for things. Everything will be public so you will see the letters going backwards and forwards all round. As a committee, in this particular instance we feel that is the best way we have to try to make some progress in this very difficult area.

I want to say how helpful, frank and clear you have been. Members of the committee see quite a few witnesses, but it has been a pleasure to have you here today. Thank you very much indeed for coming along and spending such a generous slice of your diary with us. I also thank my colleagues. With that, I declare the meeting over.