

The Right Hon Rishi Sunak
Chancellor of the Exchequer
1 Horse Guards Rd,
Westminster,
London
SW1A 2HQ

March 19th 2020

Dear Chancellor,

We welcome the measures that you have outlined so far as a first step in the effort to fight the unprecedented health and economic crisis triggered by coronavirus.

We hope that they will make a real difference to many companies in the UK music industry that are facing an existential battle for survival.

COVID-19 is having a dramatic impact on the workforce of the music sector, particularly on those who work on zero-hour contracts or who are self-employed. There are an estimated two million jobs in the creative industries – and around 72% of the workforce in our sector are freelance. From live performers, to peripatetic music teachers, composers, managers, engineers and producers, their work has come to an end overnight.

The current welfare system is just not devised for a situation where the Government is strongly advising the music sector to stop work. Much of the workforce is not entitled to any notice or redundancy pay. It is entirely dependent on one-off engagements such as concerts, gigs, theatre shows, recording sessions and peripatetic teaching. If they do not work, they do not get paid. The welfare system is just not structured in a way that will support the vast number of those working in the music industry who are immediately out of work overnight.

Other countries, such as Italy, Ireland, Norway and Canada, have put in place emergency funds to support the self-employed in these uncertain times. You announced earlier in the week a funding grant for small businesses of up to £25,000 to cover costs due to COVID-19 – the self-employed also operate in a similar way to these small businesses. We urgently need the Government to put in place a similar grant or emergency fund to assist the self-employed and those on zero-hour contracts with the loss of earnings. Specifically we advocate a targeted approach to guarantee temporary income, as well as welcoming a wider discussion with Government about the merits of a universal basic income of £400pw.

It is currently unclear how long the COVID-19 crisis will continue to impact the world. Workers who are self-employed and on zero-hour contracts urgently need reassurance that they will be supported by the Government. Otherwise, this workforce - through no fault of its own - will not be able to cover basic living costs, such as food or rent.

Industry existing hardship funds are an effective means of getting support to where it is most required and can be a channel of Government aid.

More broadly, the UK music sector, which contributes £5.2 billion annually to the UK economy, needs urgent Government help to avoid large parts of the sector being wiped out. Business rate

relief needs to be extended further to all music companies, including festivals and recording studios. The Government must also urgently consider allowing businesses to benefit from VAT holidays and whether there can be further assistance to help firm's cover wage bills to keep people in jobs until the economy recovers.

The music industry also needs urgent clarity over the effective ban on mass events. This includes how long it will last and when it will be reviewed, as well as how the Government defines a mass gathering in terms of numbers.

Steps taken in your announcement on Tuesday concerning insurance were positive yet not all events will have pandemic cover. We ask the Government to ensure they are holding insurance companies accountable and insisting they are following proper protocol by paying out on claims where legally applicable.

It is vital that the Government does everything it can to support the music industry with an urgent package of measures so we can do our best to weather this pandemic.

The Government must now act swiftly to do whatever it takes to safeguard the future of our world-leading industry.

Yours sincerely,

Tom Kiehl, *Acting CEO, UK Music*

Deborah Annetts, *Chief Executive, Incorporated Society of Musicians*

James Ainscough, *CEO, Help Musicians*

Horace Trubridge, *General Secretary, Musicians Union*

Annabella Coldrick, *CEO, Music Managers Forum*

Graham Davies, *CEO, The Ivors Academy*

Olga FitzRoy, *Executive Director, Music Producers Guild*