



Northern Ireland
Assembly

Committee for Culture, Arts and Leisure

OFFICIAL REPORT (Hansard)

Inquiry into Maximising the Potential of the
Creative Industries in Northern Ireland:
DCAL/Arts Council/Northern Ireland Screen

5 July 2012

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Miss Michelle McLveen (Chairperson)
Mr Dominic Bradley
Mrs Brenda Hale
Mr Oliver McMullan
Mr Cathal Ó hOisín
Mr Robin Swann

Witnesses:

Ms Roisin McDonough	Arts Council of Northern Ireland
Mr Stephen McGowan	Department of Culture, Arts and Leisure
Mr Richard Williams	Northern Ireland Screen

The Chairperson: I welcome Stephen McGowan, Roisin McDonough and Richard Williams. You are very welcome. None of you is a stranger to the Committee.

Mr Stephen McGowan (Department of Culture, Arts and Leisure): I think that we are familiar faces. I send the apologies of Arthur Scott, director of culture, who had to pull out at the last moment. In opening, I will be Arthur for a moment, and then I will move on to my comments. Thank you for inviting us to the Committee today. The Committee's evidence gathering is now drawing to a conclusion, and we are keen to take further questions from members and to explore many of the issues that have been raised throughout the inquiry.

The Committee has heard evidence from a wide range of stakeholders. In addition to evidence from the Department, you have received briefings from the chief executives who are here today — Richard and Roisin. Their organisations are truly at the coalface of supporting local businesses and sustaining a creative industries pipeline from which creative people, creative ideas and creative businesses emerge and flourish.

The number and range of organisations with which the Committee has engaged highlights the corresponding diversity in the sector. We believe that the Committee's inquiry has helped to focus attention on this very important sector and has stimulated debate and the sharing of ideas, opinions, opportunities and new insights on how we can work together to maximise the potential of the sector.

As you know, the Department of Culture, Arts and Leisure (DCAL) is the government lead on the creative industries. We promote awareness of the sector across government and we work closely with agencies such as Invest NI to develop a more joined-up approach to supporting the sector. We seek to stimulate collaboration across industry, government and academia to grow and develop our creative

industries. In its relatively short lifespan, the inquiry has begun to tackle one of the challenges facing the sector; that of giving a voice to the many different subsectors of the creative industries.

The inquiry has also confirmed the many challenges that we face in maximising the potential of the sector. From a broad industry perspective, these include lack of scale, not enough collaboration between the creative industries and between the sector and more traditional business areas, insufficient engagement in international markets and insufficient business skills and acumen.

From a government perspective, the sector touches multiple Departments and agencies. A range of government interventions and programmes is relevant to the sector, but too often they lack effective co-ordination or a joined-up approach. Our collective challenge is to bring silos together through collaborative working. That includes challenging the silo mentality between organisations and, indeed, even within them, whether the silos are inadvertently created or purposely maintained.

Evidence is highlighting the need to establish a creative ecosystem across the region that stimulates, nurtures and enhances the connections between and within industry, government and academia and that creates new connections and working relationships and meaningful collaboration that shares ideas, sparks new ways of doing things and finds out what works and what does not work and then builds on that knowledge and maximises the potential of those connections. As the Committee will recall from previous evidence, that is the thrust of the Department's analysis and our direction of travel.

I mentioned a creative industries pipeline, which is crucial. I do not believe that creative entrepreneurs necessarily combust into being. That pipeline needs to provide support to businesses but also to focus on education and inspiring and nurturing creativity and new talent. This includes inspiring young people from all backgrounds, from primary to third-level education, from those who see a future involving university and those who do not. That way, we will support not only the creative industries but a wider creative economy.

That core point reinforces the value and the crucial contribution of the arm's-length bodies that are represented here today and the creative and cultural infrastructure that is supported by the Department and which this Committee oversees. The arts, the screen industries, museums, libraries, W5, the planetarium, the observatory and so forth inspire innovation and stimulate creativity and support cross-cutting government objectives in areas such as the science, technology, engineering and mathematics (STEM) subjects, health, education, social inclusion and, of course, the economy.

I believe that the outcome of the inquiry and the Committee's ongoing role will significantly enhance the efficacy, the purpose and the understanding and appreciation of the contribution of creativity and the creative industries across government.

That summarises evidence that you have already received from the Department. We will be delighted to address any other issues that you may have.

The Chairperson: OK. Thank you, Stephen. I am not sure whether you were here for the previous discussion, but Roisin and Richard were. One of the main issues that we were looking at was the possibility of looking towards a single strategic body, similar to Creative Scotland. What is your view on that? It is timely for Roisin and Richard to be involved in that discussion as well.

Mr McGowan: Richard and Roisin will no doubt elaborate on that. Instinctively, it sounds like the logical thing to do. However, there are issues, and a greater depth of analysis is required. Instinctively, it makes sense as we are talking about joined-up thinking and more collaboration, but there are specific issues.

I am aware that Committee members were across in Scotland. The context of the creation of Creative Scotland is important. Underlining that was a radical streamlining of Government Departments. If we have a Creative Northern Ireland, we will still be dealing with the same number of Departments and agencies. In addition, the birth process — for want of a better phrase — of Creative Scotland was very traumatic and long. It raises issues about whether we should focus on structural and administrative change without tackling the core issues. We feel that instilling a culture of meaningful collaboration and connectivity across the sector now could lead to structural change in time. We think that cultural change is most important now.

In summary, the third point that really struck me about Creative Scotland is that the "about" page on its website has the line:

"We can't do it all ourselves and we don't want to."

Creative Scotland emphasises the role of its relationships with the two economic development agencies in Scotland. It highlights its key partners. I go back to the thought processes behind Creative Scotland. What Creative Scotland did first, which is the Department's approach at present, was to put in place a framework for the creative industries to define the roles and responsibilities of their partners, nurture those connections and ensure that the insight and the decisions arising from that are industry-led.

There is a balance. Intuitively, you say, "Yes, that makes sense." However, there are more complex issues. As I referred to in my opening remarks, we also have a creative industries pipeline in Northern Ireland. We have a very important connection in education to stimulate broader creativity across the region. No doubt my colleagues would like to elaborate on that.

The Chairperson: It might be useful just to get their perspectives and insights. Roisin, you will have had discussions with your sister organisation in Scotland, and you may have too, Richard.

Mr Richard Williams (Northern Ireland Screen): Chair, I will be straight with you: I am concerned by the focus on Creative Scotland. I could not be more vocal about my belief that there are too many bodies and too much bureaucracy. Things are not sufficiently joined up, and it is a very cluttered environment. I am concerned that that evidence may be brought to bear in the argument for a Creative Scotland model and the argument that a coming together of Northern Ireland Screen and the Arts Council might be a useful contribution to addressing that.

I am very conscious that it is hard for you as a Committee to think anything other than, "Well, you would say that, wouldn't you?" However, there is actually not a tremendous overlap between what the Arts Council does and what Northern Ireland Screen does. If you drew a Venn diagram, you would find an awful lot of overlap in a lot of other places before you would have to concern yourself about that issue. I am frustrated, and I think that Stephen and, in the previous session, Brian were right when they alluded to the fact that a lot of the issues are a level up from that. Just before this session, Roisin whispered to me asking why I was not with the group in the previous session rather than in this session. About 90% of what Brian, Martin and Tracey told you about was the work that we do with money that they kindly provide us with, yet here I am in this session because DCAL is our sponsor body. That is the level at which, from Northern Ireland Screen's point of view, the bureaucracy and confusion are coming in and it is the level at which clients in my area do not know whether to go to Northern Ireland Screen or to Invest Northern Ireland. A playwright, unless they are aspiring to be a screenwriter, does not get confused and think that they should go to Northern Ireland Screen. There is not duplication there.

Obviously, I am very conversant with Scotland and what was Scottish Screen. Scottish Screen was not a well functioning organisation, and it was extremely heavy in its staff levels. The cost of the administration of Northern Ireland Screen should be looked at, because even the new Creative Scotland model would not match our costs. So, I am concerned about it.

Stephen makes a point that I am very concerned about. The screen industries in Northern Ireland are a long way from perfect. Brian made a tremendously good point when he said that the point at which we think anything is perfect is the point at which we have completely lost the run of ourselves. It is a very, very long way from perfect. However, we are on a tremendous growth curve that Scotland would be absolutely delighted to have. The fear, which I imagine Roisin has too, is that we know the people in the process — I am very friendly with some of them — and they lost five years of development while the structures were changed. That terrifies me for the screen industries. We have a huge opportunity now. The idea that we lose five years to shift things around, even if the structures became better, would inevitably mean missed opportunities, which would vastly outweigh any sense of development.

Ms Roisin McDonough (Arts Council of Northern Ireland): I share Richard's perspective. I was interested to hear the points articulated by Brian. Richard is right: I cannot discern any overlap between what NI Screen and the Arts Council do. There is no confusion about that in the sectors that we serve. Although joining hitherto unjoined activity might seem on the surface to be a sensible and attractive solution at an administrative level, I genuinely cannot see the problem that it would fix. I will talk about co-ordination in a moment. Brian's arguments about having a merger of organisations were astutely observed.

In response to a point that Dominic made earlier, in the arts we are able to articulate our economic value because we are asked to. It is not always necessarily the first place that somebody who is creative, whether it is a poet, painter, musician or whatever, automatically goes to. Government funding is public funding, and it has to be justified. One of the grounds upon which we are asked to justify the reason for the investment made in the arts is economic value. Arts organisations do that, but that is not the only value that we place upon the arts. The enrichment that you can enjoy from the arts is very hard to quantify, because sometimes it is a matter of personal taste. The level of enrichment will vary: there will be other social benefits and health benefits, which have already been described by Stephen across the piece and by submissions that we have made to this Committee on many occasions. I do not think that anybody around this table is suggesting that this happens, but they cannot be reduced to simply being a return on investment in strict and exclusively economic and monetary terms. I think that we would lose the potential for some of the great art that is part of our cultural offering at the moment if we were to principally focus on the rate of return on investment and all of those kinds of metrics that we are aware of. So, I urge caution on that front.

I am aware that, in Scotland, the Government championed the need to proudly proclaim Scotland's culture, heritage and sense of identity on the world stage; culture was absolutely at the heart of that. The then First Minister, Jack McConnell, articulated that in a very famous speech. That was the direction of travel. Successive SNP Governments have endorsed that in policy and reflected it in slightly different ways. They had a big vision for how they wanted Scotland to be seen, and that then cascaded down. I think that we have a long way to go before we get that kind of articulation from the highest levels in Government, but we are seeing signs of it. There is evidence of increasing appreciation of the value of our arts, cultural heritage, film and all of those spheres of activity. People are proudly proclaiming that all the investment in infrastructure, which was referred to in the broadest sense earlier on, is a very healthy direction of travel. However, unless there is depth to and a hinterland behind a creative Northern Ireland, we would argue that the simple administrative joining of two bodies, which can obviously do better because everybody can always do better, is not necessarily the answer.

I said that I would speak about co-ordination. Greater co-ordination is absolutely needed. I was very heartened to hear Brian speak earlier about Invest NI's focus on developing a single portal to which people can be signposted if they need business support, access to investment and mentoring, and all of that. We very much welcome that. There is obviously a limit to what we as a reasonably small public body can do in administering the creative industries innovation fund, which I think has been very successful. The mentoring and learning that is going on is another dimension. We funded 40-odd projects in the last round, 30 of which have taken up mentoring opportunities following offers from the Institute of Directors. More such opportunities, and greater co-ordination and collaboration are absolutely needed. I will just pause there. *[Interruption.]* I hope that my remarks did not result in the table collapsing.

Mr D Bradley: A dramatic pause.

The Chairperson: Thank you very much for your response. At this stage, the Committee has a very open mind as to its recommendations. It is useful to hear your perspective on this. From my perspective, having visited Scotland and spoken to the various agencies involved, what really struck me is the fact that they are singing off the same hymn sheet in promoting Scotland; they have such pride in their country and in what they have. I sense that Northern Ireland is moving towards that. From listening to a number of speeches by the First Minister and deputy First Minister, I think that we have the makings of that. We have some way to go but, at the same time, that is there. Stephen said that this came about as an outworking of a streamlining of government, and I do not think that any of us are not aware that we need to move towards that. If that is a byproduct of that streamlining, we may need to live with it. At this stage, we are very much in a listening mode as regards our recommendations. However, that is not to say that that may not be our key recommendation.

There is a lot of really good work being carried out by both Departments. However, part of the problem — you will have heard me highlighting this to Invest NI — may be the fact that you are not branding yourself particularly well or selling what you are doing in a much more corporate way. Do you agree with that?

Mr McGowan: Yes. The bottom line is that I do not think that businesses really care what the brand or the logo of an organisation is. What has been shown to be successful with the NI 2012 campaign is people's sense of momentum and that great things are happening here. I do not think that people are looking at the bottom line to see which Department is doing what. There has been interventions and

support from various agencies and Departments, which comes back to the core point that I have advocated: we have core strengths, but it is about connections, co-ordination and maximising.

I will give you one example, about which I think the Committee has received information. Throughout the inquiry and elsewhere, concerns have been raised about things being Belfast-centric or north-west-centric. We did a pilot initiative with Newry and Mourne District Council, Craigavon Borough Council and Banbridge District Council to allow them to develop short showreels about the creative industries in their local areas. The councils told us that they did not have a grasp of the quality of the creative enterprises in their local areas. Therefore, there are issues around promoting what we do and the impact that we have.

I think that we can have a creative Northern Ireland by connecting what we have now. I am not, necessarily, talking about structural or administrative mergers, but the ingredients are there and it is about making those meaningful connections.

Any time that I have been before the Committee, I have returned to the point that it is about moving from the aspirational. I could write you a fantastic strategy document in the morning, but it is about whether those Departments and organisations will really work together. That is the underlining thrust of what we have been trying to do.

Mr D Bradley: Good morning. During the evidence sessions, we got the impression that traditional arts and crafts are less economically viable than some of the more modern forms and are, perhaps, overlooked in favour of digital developments and so on and need a special form of support. To take the example of instrument making, it takes a long time to produce an instrument, there is a smaller market, it has to be marketed in a different way, sales are more difficult, and so on and so forth. Do you think that there is a danger that traditional arts and crafts will be overlooked in the strategy?

Ms McDonough: I think that the question is about the creative industries innovation fund. The first round of that was, principally, for the digital side, while subsequent rounds are open to everybody. Among those trying to co-ordinate activity and develop that work, Craft NI is a really important player as an infrastructural resource and support body. Of course, it is quite a small organisation. Often, the danger is that you place a big burden of responsibility on relatively small organisations. Nonetheless, Craft NI is the sectoral body that the Arts Council set up as the development agency for craft in Northern Ireland.

It is not only about craft for cultural tourism. It is about the traditional arts and crafts that you mentioned; we do not want to lose our cultural heritage. Making, for example, an instrument, is a very labour- and resource-intensive activity. One thing I will say is that we have just opened up 'Take it away', a scheme for musical instruments with interest-free loans over a period so that people can avail themselves of traditional instruments, which are very expensive, or any other kind of instrument that lights them up to play, learn and develop their music. That scheme is now in place and will be launched over the course of the next couple of weeks. That is another kind of stimulus in the sector. We know that harps and flutes are very expensive, as are saxophones and other instruments. We will promote that scheme.

Mr McGowan: You highlighted the challenges in marketing. Digital technology has become an enabling technology to promote to a global audience. There is a bridge between the Arts Council and Northern Ireland Screen. The example that strikes me is when Richard facilitated a tour for Mark Thompson, director general of the BBC, to the Paint Hall. We went out to the props department and, to me, that was all craft. Those were not items that could be picked up in B&Q readily. The craft sector very much has a role in the screen industries.

Mr Swann: Thank you very much for your presentation. Stephen, the first time you presented to us, we congratulated you on the fact that the Civil Service had not got to you and you had not been cloned.

Mr McGowan: Have I been got to yet?

Mr Swann: Well, your responses are starting to maybe go that way. *[Laughter.]* No; sorry.

The Chairperson: You have to remember that he was speaking as Arthur at the start.

Mr McGowan: Yes, thank you.

Mr Swann: One phrase you used was that you can prepare a fantastic strategy by the morning. A collaborative framework to support the creative industries was published in December 2011. How are we going with that? It is now the start of July. Is that producing or working? I will ask you that question, Stephen, and then I would like to get feedback from Roisin and Richard, because the Arts Council and NI Screen are mentioned in the document. Is it a document that was produced for the sake of producing a document or has it started to deliver?

Mr McGowan: That was a draft in December that was shared with the Committee. The document has not been launched as an official version. It was a concept paper that was shared with the Committee and other stakeholders. As I have highlighted in recent discussions with the Committee, the thinking behind the document was about putting in place the methodology for making those connections. Since December, we have had the launch of the economic strategy in March, and the Department of Enterprise, Trade and Investment (DETI) is currently working on and finalising an innovation, R&D and creativity action plan. In addition to the economic strategy, the action plan highlighted that the Executive were giving consideration to establishing an innovation council, which would support the Executive in their economic strategy. From putting our thoughts down in that draft paper, we are taking on board the economic strategy and what will become the DETI action plan for innovation, R&D and creativity. I recall that, at my previous meeting with the Committee on this issue, the Chairperson asked whether this was the finalised approach. I said that it was not but that it was the thrust of the direction. As I mentioned earlier, it is the route of our travel. Those are the underlying principles that we see going forward.

We need to get those action plans and the economic strategy and consider how they link into the innovation council. We need to also flesh out the key roles that Northern Ireland Screen and the Arts Council will have in that. Think of the key elements, such as a collaboration group for Departments and agencies; think of the subsector groups that are led by industry; and think of the ministerial advisory group that is being proposed. A similar model in England involves the Department for Culture, Media and Sport (DCMS) and the Department for Business, Innovation and Skills (BIS). Basically, their DCAL and DETI have formed a joint creative industries council. It consists of about 30 different people from across the creative industries, including the chief executive of the Arts Council in England. We have the conceptual model that we want to push forward, but now, it is the important bit of the who and the what, and the question of how that works out. If there is any confusion about whether there was a done deal in the December document, I will state that that is not the case; it was very much us setting out our thinking. We will finalise how we will deliver that, and I believe that, by autumn, we will announce how the joint departmental initiative will be put in place.

Mr Swann: It has got to him, Chair.

Mr McGowan: I hope that I did not sound like a civil servant.

Mr Swann: No, it has got to you; you are away.

Mr McGowan: It was the criticism that I have been dreading.

Mr Swann: Basically, this paper was a starting point; it has gone nowhere. Has it been superseded?

Mr McGowan: The Chairperson asked how the inquiry would inform our thinking. I said that it would be very important to our thinking, but that was the thrust of our direction. What has become very clear, given the range of evidence that you have been taking, is that basic calls for collaboration and more co-ordination are coming through. The evidence and your recommendations will shape our final decision.

The Chairperson: Obviously, we welcome what the Department has done; it gives credibility to the work that we have been doing. Thank you for that. Do you have anything further, Mr Swann?

Mr Swann: No, I would have been keen for feedback from Richard and Roisin, but, obviously, you have not really seen much more of the document since its draft stages.

Ms McDonough: No, but we will obviously play our part.

Mr Swann: Oliver was critical because you have not taken 'Game of Thrones' up in to the glens, but I congratulate you on keeping it around Ballintoy and the dark hedges of Ballymoney. I also congratulate you on supporting 'Nicholas Nickleby', which is being filmed in Kells.

Mr Ó hOisín: Thanks for the presentation. It touched on my earlier comments about critical mass and capacity in the area. You talked about bringing silos together. I am not sure how that sits with your other proposals. Surely the idea of bringing silos together is the equivalent of stocking a small pond with large fish: inevitably, the small fish would get eaten or they would starve to death. I wonder how that sits with the creative ecosystem that you talk about. If there is to be some sort of rationalisation in the delivery of the creative industries, as in any industry, there must be a prioritising of what is doable in a small area or expanding to look at a different picture. Scotland is slightly different because there is a very definite corporate image that people are comfortable with and everything else. We operate on a smaller scale, with a smaller critical mass. I think that there is potential for co-operation to deliver on the island of Ireland and between these islands, because we have a unique product here. I just wonder how you can possibly look at prioritisation of delivery.

Mr McGowan: If you look at the things that we have highlighted in the draft framework and at the priorities that we have articulated in the creative industries innovation fund, you will see that we have placed a focus on export-focused activity. It is about looking beyond; the market for our local businesses is not just here. I referred to the ecosystem. From my brief experience in the Civil Service, it is very clear that people move on. This is my personal insight. One week you could be in DCAL and the next you could be in sewage — that can be quite literal at times. People move between Departments.

Mr Ó hOisín: Same stuff, different day.

Mr McGowan: We need that creativity DNA established through Departments. I am focusing particularly on Departments because people move on. It is about putting in place within Departments a methodology, appreciation, understanding and advocacy of the creative industries. It is about embedding that in Departments, not people. We need Departments to work corporately towards that.

You made a point about prioritisation. There is a vast range of evidence. It comes back to the point on digital technologies, for example. The Technology Strategy Board in the UK has stated in a report that 70% of the value and growth potential within the creative industries is within the content field. That not only brings in the means of delivery through digital technologies but comes back to the importance of content. That is where scriptwriters, novelists and poets come in with regard to producing the content and the stories that make people want to buy the apps, for example.

I come to your point now about silos. Honestly, I feel that our problem is the silo mentality that has arisen through default or, sometimes, by design. The nature of our structures lends itself to a silo mentality, but we also have to push through other organisations that are comfortable in their space and do not want anyone interacting with them. If we are going to grow this industry and maximise the benefits of creativity in this region, we have to push the agenda of prioritising the attitude of, "We will, and we must, work together."

Mr Ó hOisín: Given the emphasis on and the importance and centrality of the digital aspect, how does that sit with the creative funds for the likes of the digital industry, which has fallen below the bar requirements.

Mr McGowan: What do you mean?

Mr Ó hOisín: Funding for Digital Derry, in particular, was not adequate in recent times. Obviously, that would roll out across the board as well.

Mr McGowan: We have worked extremely closely with Digital Derry. At the start of the year, the Department supported Digital Derry in launching the Culture Tech fund. If I recall correctly, it supported 22 companies in developing concepts. It was very much complementary to the creative industries innovation fund, but it focused on the particular area of the combination between culture and technology. We have talked about this before, but take the often-repeated Steve Jobs comment that it was the intersection between arts and technology that drove the success of his company and that would drive how people use and experience technology and content. Digital Derry is a proactive example of the Department seeing an initiative that has traction across the region and supporting that.

Invest NI and DCAL have supported the Culture Tech pilot festival, which is taking place at the end of August. Coming back to the broader linkage, that will be part of the 2013 City of Culture. Next year, therefore, we have a tremendous opportunity to demonstrate how culture is a driver for social and economic development.

Mr Ó hOisín: Is there enough funding there for start-ups?

Mr McGowan: Since the summer of 2011, we have received about 190 eligible applications for funding in the last round of the creative industries innovation fund, and we have provided funding, through the Arts Council and with the support of Northern Ireland Screen, to approximately 93 or 94 applications. An important point that we always make is that it is right that we focus support only on those projects that demonstrate clear innovation and commercial viability. Again, speaking personally and honestly, I do not think that this is about spreading out funding for the sake of it. I come back to your point about prioritisation. We have clearly set priorities within the fund of export-focused growth and cross-sectoral collaboration, and we therefore fund projects on that basis. It is not as though we are running out of money in the fund and are unable to support the projects of sufficient quality that are coming to us.

The Chairperson: Richard or Roisin, do you want to comment on that?

Mr Williams: No. I hoped to say a number of things, but I do not know whether this is the moment.

Mr McMullan: First, what are your views on the EU Green Paper on the creative industries? Secondly, have we not a very small base here? We talk about the Scottish model, but the Scots are really driving out their brand name, which is "Creative Scotland". They have a ready-made brand name. Are we not really reliant and driven by industry and commerce? We talk quite a lot about where people put money in and what they get out of their investment. Is the fact that we have such a small base not restricting us in expanding the creative industries? Are we not held back, in that sense, by being such a small base?

Mr McGowan: Again, we have emphasised the importance of export-focused growth, and that means engagement across all borders. It also comes back to the opportunities that we have next year in particular, through the City of Culture, to profile the creativity and cultural strength of this region on a world stage. It links into the fact that, for example, Ireland will hold the EU presidency for the first six months of next year and to the co-operation that is happening on an all-island basis to promote the cultural offering of this island, North and South.

Mr McMullan: There is no mention in the report of culture getting together on an all-Ireland basis. We seem to be getting quite a lot of ideas from Scotland, England and Wales, with the odd mention of Ireland.

Mr Williams: Maybe I can comment on that. That is certainly not the case in the screen industries. In the screen industries, we seek out international collaborations wherever we can. All the companies involved in the screen industries do that, too. Their collaborations, partnerships and valuable economic relationships are as strong North/South as they are east-west, into Europe and out to the States. RTÉ is a tremendously significant market for many of our local production companies. All the recently premiered independent films were co-financed with the help of the Irish Film Board. It is a very common, long-standing connection.

Mr McMullan: Correct me if I am wrong, but does that not have more to do with tax breaks and incentives? The local BBC units go down and film in the South of Ireland because it is more lucrative there. That is why the film industry has a bigger connection with the Twenty-six Counties than the other parts of the creative industries have. I do not blame you for that. I do not see that mentioned much in the report, although, in places, it mentions that there should be more incentives here.

To get back to my original question, which we have not heard an answer to: are we not restricted by being Northern Ireland plc when it comes to the amount of investment in the arts that we can apply to industry and commerce for? Would it not be better, on an all-Ireland basis, to promote the Ireland brand in the international market as Scotland, Wales and England do?

Mr Williams: You have already told us what the difficulty is for the screen industries. It is about economic levers, and all our infrastructure is the UK infrastructure. There is a different tax system in

the Republic of Ireland. We co-operate in pitching to certain American projects on an all-island basis, but it can only be when, for whatever reason, you can bring together the two different tax systems and come up with a financial proposition that works. The reality is that there are two different tax systems as a consequence of there being two different jurisdictions. From our point of view, we cannot change that. It is the way it is.

I will go back to my original statement. The screen industry is very all-island, and all-islands, and very international in its thinking. We are weaker on Europe, which is reflected across a lot of other aspects. There were mentions of Europe. We get substantial funding from Europe through Invest Northern Ireland and the European Regional Development Fund (ERDF), and we are very glad that they support us in that way. However, I told the Committee before that we have a celebrated, incredibly joined-up multi-partner proposition that we have been discussing with INTERREG for, I think, nearly five years now. That is no good; that is no use to anyone.

The reality of that is that we tend to look away from European funding because we realise that chasing it will suck up all our administrative time, and, if we are not successful, we will have wasted all that time. That is one example, but it is those sorts of structural difficulties that we need to loosen and get rid of. I will go back to the original point: 99 out of 100 people in the screen industries would say that merging the Arts Council and Northern Ireland Screen would not be a good idea. That prospect continues to worry me.

Mr McMullan: That is fine, but do you recognise that having two jurisdictions causes a problem? The screen industry is driven by economics. We have taken some of our major productions here into Europe. 'Titanic' went into Europe for production; it was not done here. If we are driven by economics, that should be high on the agenda. I agree with you that the tax breaks situation is restrictive. It has to be recognised once and for all that that is what is holding us back on the island of Ireland. That has to be recognised and said out loud instead of skirting around it.

Mr McGowan: Members will probably have greater insight into this than I do, but I understand that the British-Irish Council has given consideration to developing a creative industries work stream. To return to the point about Europe, 'Winning in Europe', the strategy document from the Office of the First Minister and deputy First Minister (OFMDFM), clearly highlights the importance of the creative industries as part of the priority of drawing down 20% of additional funding from Europe. To come back to Richard's point, we are seeking to draw down more money from Europe, but if it going to take five years —

Mr McMullan: I agree with a lot of what Richard has said. It is restrictive; that is clear and has to be said. If we are to make the case for a stronger industry, we have to deal with the elephant in the room. It can no longer be ignored.

Ms McDonough: Notwithstanding that substantive point, our experience in the arts is that there is a high level of co-operation across the island and across Scotland, England and Wales. We jointly fund things and engage with each other.

Turning to Europe, we have been delivering an arts and cultural showcase with the Office of the Northern Ireland Executive in Brussels. Anecdotally, and as an indication of what is going on, Dan Gordon's 'The Boat Factory' was performed in the BOZAR centre in Brussels, and we supported that and put the programme together. We have been in Brussels for the past year and have found that there is a huge appetite for this. In fact, within the UK and Irish context, some of the other countries are saying, "We need to do this ourselves". So, we will collaborate through the office in Brussels. We will make a presentation next year, when Ireland has the presidency of the EU between January and June, to ensure that our arts and cultural offering in Northern Ireland is represented and —

Mr McMullan: Why are we waiting until next year?

Ms McDonough: We are not waiting until next year; we are already doing it. What I am saying is that there is an opportunity that will bring international focus, and we will step up to the plate. The work that we have done so far includes film and all the cultural products for which we are rightly renowned. We will have an opportunity to see how good we are and to be proud of that.

Arts and cultural organisations have been quite good at drawing down European funding, and I know the difficulties that Richard talked about. OFMDFM will kindly put a small amount towards encouraging international and transnational partnership development between arts and cultural

organisations and towards trying to draw down more of the competitive funds that are available. The Executive have set a target of a further 20% drawdown of those funds.

So, we are actively working in those arenas. I think that I said to the Committee before that we have looked at the European creative districts proposal. We are trying to vigorously pursue funding. We are conscious of the constrictive nature of this. I just wanted to let you know about 'The Brussels Platform'.

Mr McGowan: To summarise, our activities and our vision do not stop at either a North/South or an east-west border.

Mr McMullan: I am not arguing that point. I am just saying that we have great opportunities now and in the future to develop the industry on an all-Ireland basis and to have a bigger and stronger product in the international market. I am glad to hear that you will take advantage of the Irish presidency of the EU.

The Chairperson: You will be aware that this is the last briefing for our inquiry. I want to give you all an opportunity for a final word before we move forward to make our recommendations.

Mr Williams: I want to deal with a few different things that are not that well connected. First, from my point of view, the most interesting thing about Scotland and the Committee's trip there was the visit to the University of Abertay. I would question some of the assertions about some of the other aspects, but the university has, through its games course, created a complete infrastructure and industry in Dundee. I would encourage us all to see whether there are lessons to be learned there.

I agree with one of the points that the Chair made about Scotland. One of the keys to the success of the creative industries is simply moving them up the priority list. The Committee inquiry is a good example of that. It is a very momentum-driven and profile-driven area of activity. The more support that the industries can receive from all aspects of government, the better. You are absolutely right. That collective and coherent support in Scotland has been very positive.

From my point of view, in the development of the screen industries and the arts and creative industries, the activities have to be delivered by people who are experienced in those sectors. That is the single most important aspect, and I did not hear much mention of it. Where we have had success in Northern Ireland Screen, it was driven by the fact that everyone involved is very experienced in the screen industries and has come out of them.

Aligned to that, Stephen made a good point about the creative industries council in London — I am not sure what it is called. I would welcome a forum like that, but the key thing about it is that 80% — I am guessing at the figure — of the people on it are from the private sector. Here, if there were something similar, the likelihood is that 80% of those involved would be from the public sector. That is the key issue.

I welcome the focus. I completely agree that we need to tidy things up, but, primarily, we are talking about structures in government. I go back to the point that, in a way, it is strange that I am on this panel, listening to my colleagues who provide us with all our finance. Invest NI came in and talked about our activity in the previous panel. There is more to be tidied up in that area than further down the food chain.

Ms McDonough: I endorse Richard's concluding point. We could have had DETI and DCAL and Richard and I in one group. It was a little odd.

The Chairperson: The reason for that is that DETI had not presented to us before. You have all had the opportunity to do so, and this really is a tidying-up exercise for the Committee. We did not intend to offend anyone. It is just how it worked out for today's session.

Ms McDonough: Apologies if it seems that we are being defensive on that. It just touched on something about the nature of co-ordination. It was no more than that.

Harking back to a couple of points that were made earlier, we should make sure that we retain the capability of investing in people who are creative and talented without always necessarily putting a burden on them to get an economic value out of that investment. We should bear that in mind. I know that the Committee will do so in its deliberations.

The purpose of certain kinds of activity will vary. We do not want to lose that richness by having one particular lens through which we look at things. Important as it is to look at the return, it is broader than that. Richard has articulated the core purpose of what NI Screen is about. The core purpose of the Arts Council is to fund artists and their creative talents, some of which will make a return on the economic investment and some of which will not.

The profiling and championing that the Committee can bring to all those areas and aspects of life in Northern Ireland is very important. I think that the journey has started, and there is some recognition of that. Anybody who was at 'Land of Giants' the other night or at some of the other large-scale events that have captured the public's imagination will know that we are putting our finger on something that is so essential to this society and to how it sees itself. We are moving in the right direction. I think that that is really good, and there is increasing recognition of that. We want more, and we want these kinds of discussions to happen all over the place. I want to thank the Committee for this opportunity. We will look at all your recommendations with the Department and through the collaborative framework that Stephen referenced earlier on. We wish you well in your considerations.

The Chairperson: We need a final word from Stephen.

Mr McGowan: If I say the word "collaboration" again, I will probably hit a record for the number of utterances of that word. Picking up on what Roisin said, there is a view of the creative industries as being a series of concentric circles with the artist at the core. The core remit and brief of the Department is to support the cultural base, and the Committee oversees that. How can we use museums, libraries, the arts, etc? How can we build on the strengths that we have? I referred to this earlier on: a company does not really care what the brand is as long as it works. Can we create something in Northern Ireland that works and that maximises the industry's efficiency and effectiveness? I think that we can do that by making those connections.

The Chairperson: I thank you all for your presentations and responses to the questions.