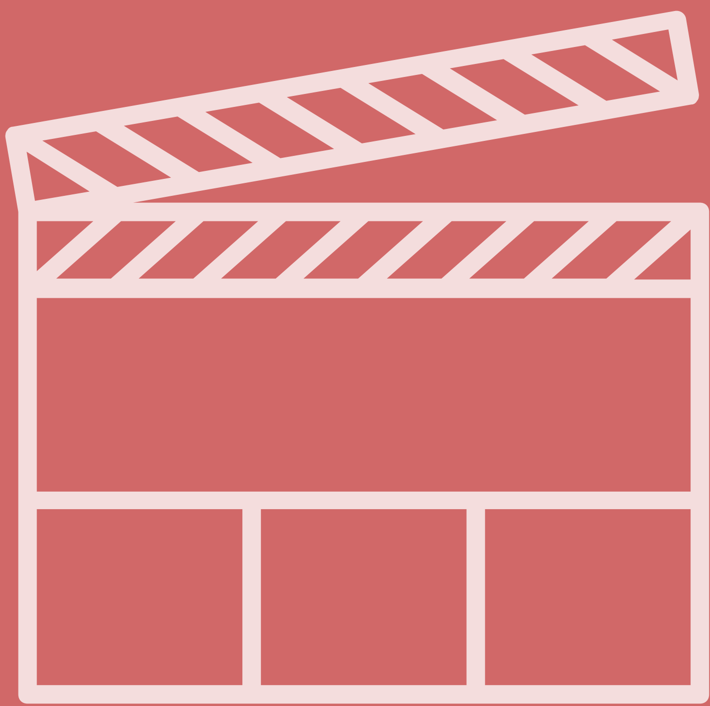
# The Director's Cut: Unpacking Earnings, Contracts and Working Practices

## Highlights from the UK Screen Directors' Earnings and Contracts (2025) Report



CREATe

DIRECTORS UK

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# Table of Contents

# About this Report

This Highlights Report is a companion to the UK Screen Directors Earnings and Contracts (2025) Report. Both reports were developed by CREATe, who were commissioned by Directors UK to conduct independent research into the earnings and contracts of UK-based directors. The Highlights Report presents the key thematic findings from focus groups and interviews with directors (more details of which can be found in the Appendix) and corresponding survey data from a survey of Directors UK members, totalling 592 respondents.

# Policy Context

The UK audiovisual industry is experiencing important changes, particularly within the television sector, which is facing increased global competition from digital platforms. This shift has led to a decline in traditional viewership and a corresponding decrease in revenue for established broadcasters. Notably, the BBC has reported a decline in licence fee income of more than 30%, reflecting changing viewing habits among audiences, slowing of household growth and cost of living pressures [1]. In response to these challenges, the Secretary of State for Culture Media and Sport has outlined new plans to ensure the BBC's financial sustainability, which, for now, include adjustments to the TV licence fee in line with inflation and the expansion of the Simple Payment Plan (SPP) for eligible households [2].

Discussions around funding mechanisms [3] and fiscal relief schemes,[4] such as tax incentives for film production, are often prominent in debates on financing within the UK audiovisual industry. However, these policies have limited relevance when considering directors' pay and income, as such reliefs are granted to productions rather than individuals. While tax incentives can stimulate production activity and create opportunities for employment, the benefits directors receive are typically confined to their contracted salaries. It is also important to note that these incentives predominantly apply to a relatively small portion of the industry and the financial impact on the broader population of directors - particularly those working in television, where production volumes are much higher - may be marginal.

Instead, policy issues surrounding directors' earnings should be contextualised around changes to creative labour markets more broadly, particularly in relation to freelance work as a mainstay of many creative industries [5]. As this report will illustrate, directing is usually a project-based profession where working opportunities and subsequent pay can be sporadic and difficult to anticipate. Further, this income must also be considered as part of future expenditures which are not accounted for within the PAYE system, including pensions, holiday pay, and sick leave.

[1] House of Commons, TV licence fee statistics.

[2] Department for Culture, Media and Sport and The Rt Hon Lisa Nandy MP, New plans to ensure the BBC's financial sustainability set out by the Culture Secretary.

[3] Particularly in the wake of withdrawal from Creative Europe - see Making it Real: A Policy Programme for UK Documentary Film; British Film Institute's submission to the CMS Committee Enquiry and; the British Screen Forum manifesto.

[4] See Film Tax Credit Relief.

[5] 49% of creative workers are freelancers – see House of Commons, Creator remuneration: Fifth Report of Session (2023 – 24).

In this respect, policies to improve the financial security of freelance directors, including the introduction of a Freelancer Commissioner,[6] or extending protections similar to those enjoyed by PAYE workers to freelancers,[7] have been forwarded.

Policy makers have also been encouraged to consider securing new and existing revenue streams for directors' work as a method to improve earning potential and financial stability. Primarily, these discussions have been centred on protecting and enhancing copyright law as a mechanism for ensuring that, when a director's work is used, both permission and payment are needed for this. Foremost among these discussions is the issue of securing remuneration for the use of audio-visual material by generative artificial intelligence (AI) firms where material is used in training data, or in subsequent outputs [8].

Finally, policy changes adjacent to directors' earnings have been envisioned with a view to improving equality, diversity and inclusivity in the industry, particularly addressing disparities related to gender, ethnicity, disability, and geographical representation [9]. While major broadcasters, including the BBC and ITV, have introduced initiatives and funding schemes to enhance diversity both on and off screen, recent industry reports indicate that the impact of these efforts has been limited. Furthermore, comprehensive, industry-wide data to rigorously assess progress and identify gaps remains lacking. Importantly, this policy issue is inherently interlinked with the precarious nature of directorial work highlighted above: demanding work, offered in an unpredictable pattern, and with uncertain financial support, necessarily makes this sector less accessible for those who have less privilege.

[6] See ALCS, Freelancer Commissioner.

[7] Outlined in Labour's New Deal for Working People.

[8] The directorial sector is not alone in this respect, with similar concerns echoed in many creative industries surveyed in the Creators' Earnings Hub. The regulation of generative AI, and its relationship with copyright, remains under active consultation by the UK Government in 2021, 2022 and 2024-25.

[9] See Diamond Reports.

# Part 1. Financial Instability

> “When it's good, it's great. But it's having that regular work... because you don't know when your next job's gonna be.”

The UK audiovisual sector has faced a marked slowdown in recent years. Following the post-COVID short-lived recovery in 2021, the industry experienced a market correction in 2022, and subsequent major disruption caused by the SAG-AFTRA and WGA strikes in 2023. These challenges reflect broader structural issues that have been developing for over a decade, as the industry continues to grapple with shifts in audience behaviour: traditional television has steadily lost market share to streaming platforms, reshaping the industry's foundations.

The changes in the UK audiovisual industry are further exacerbated by several economic factors. In 2023, inward investment in UK high-end television (HETV) productions fell by 43% and 40% for film production [10]. Additionally, major UK broadcasters such as ITV are struggling as advertisers shift their budgets to online platforms, drawn by their larger and more targeted audiences [11]. This migration not only diminishes the broadcasters' revenue streams but also directly impacts their ability to produce new content, and employ freelance creative workers. Even the BBC, which relies on licence fees rather than advertising revenue, has not been immune to financial challenges. As noted above, the BBC experienced a substantial decline in income, leading to 1,000 fewer hours of new television programming in 2023 [12]. Additionally, between 2016-17 and 2020-21, the BBC's content spending fell by 12% in real terms [13] further highlighting the financial constraints affecting the public service broadcaster's ability to invest in original programming and maintain industry output. Adding to these challenges is growing discontent over the widening pay disparity within the industry. For instance, Channel 4, a publicly owned but ad-funded broadcaster, has seen a rapid increase in the pay gap between its top management and regular staff [14].

[10} Ben Keen for British Screen Forum, Show Me The Money.
[11] Ofcom, Media Nations UK 2023.
[12] National Audit Service, BBC Studios Report 2024.
[13] National Audit Service. BBC savings and reforms 2021.
[14] The Guardian, Channel 4 chief awarded nearly £1.5m salary in 2022.

Despite the challenges faced by the audiovisual industry, directors appear to enjoy a relatively strong financial position compared to other creative professionals. The median income for directors is £55,000, which is 57% higher than the UK median income of £34,963 and much greater than the median earnings of actors, who typically earn £22,500 annually, with only £17,500 coming from acting work. When evaluated against another benchmark, only 14% of directors earn below the UK minimum wage (£23,795), compared to 50% of performers and 65% of visual artists who fall below this threshold.

Our data indicates a relatively equitable income distribution among directors, in contrast to other creative professions such as acting, visual arts, or authorship, where a small number of top earners dominate market revenues. This can be attributed to the limited application of network effects [15] within the directing profession. In many creative fields, the marketability of individual names often leads to a concentration of opportunities and income among high-profile figures. For directors, however, their critical contributions to the creative process are largely behind the scenes, making them less visible to audiences. As a result, their names are less tied to the commercial appeal or market success of a project. This lack of "starification" reduces the concentration of income at the top, leading to a more balanced distribution of earnings across the profession.

While the annual median income for directors appears in line with what would be expected for a high-skills and high-stakes profession, challenges persist regarding financial stability. In this respect, the temporal nature of income data - which collects a snapshot in time of a director's income at a particular moment - may be distorted as short-term cash inflows may mask the lack of sustainable, long-term earning potential.

First, the irregular nature of employment in the industry is a key characteristic , with directors surveyed working an average of only 27 weeks in 2023, a 17% decrease compared to the 2019-2022 period, reflecting a reduction in opportunities. This inconsistency contributes to a perception of financial insecurity, with **78% of directors reporting that they find their income unstable**. Indeed, for freelancers, working fewer weeks inevitably translates to reduced income. These findings align with recent research by Bectu [16] , which highlights growing financial concerns among film and television workers. According to their survey, 88% of respondents expressed worries about their financial stability over the next six months, and 37% reported they were considering leaving the sector within the next five years.

[15] See Kretschmer, Klimis, and Choi (1999) Increasing Returns and Social Contagion in Cultural Industries.
[16] Bectu (2024) UK film and TV industry slowdown: a sector in crisis

Second, stability of income is likely to continue to fluctuate as new modes of distribution for audiovisual content are normalised. For example, the majority of directors reported that the value of initial fees paid by producers have increased in the past five years (57%), accounting for higher income at this moment in time. However, **39% of directors reported that the value of residuals and royalties have decreased**, which in the long term may evidence a lower earning profile. Indeed, our data reveals that income for directors peaks between the ages of 45-54 and then steeply declines, contrasting with the general labour force, where earnings tend to peak later in life. This trend suggests that older directors may face diminishing opportunities and lack the long-term income stability seen in other professions, highlighting the precarious nature of their financial trajectory.

As most directors are freelance workers who do not benefit from access to certain pensions or sick pay benefits, the reduction in long-term earnings could be a concern as a director becomes older, retires, or is unable to continue working. The importance of residuals and royalties has been brought into focus by recent events, most notably the 2023 SAG-AFTRA and WGA strikes, which disrupted the global audiovisual industry. Central to the strikes were issues surrounding fair compensation for content distributed on streaming platforms, whose consistent growth has made them an increasingly dominant force in the audiovisual landscape. While progress has been made in addressing these concerns in the United States, challenges remain in the UK.

> "I don't know when the last time was that I was paid what I'm worth. We get knocked down on fees all the time. And I wouldn't even dare to fight it... Because if you do, next!"

As observed in other cultural sectors, financial instability places pressure on the labour market, as it compels workers to accept increasingly unfavourable conditions. For instance, directors reported having to take on responsibilities beyond their original roles, such as self-shooting or operating drones, without additional compensation, indirectly reducing the value of their initial fees, and forcing directors to perform more tasks with fewer resources. Production companies further exploit this overarching instability by leveraging heightened competition to directly reduce directors' fees. Even large national broadcasters, ostensibly bound by standardised rates, have been reported to employ tactics that underpay less experienced directors.

For example, some interviewees indicated that production companies, by matching job titles to seniority, would hire newcomers for equivalent roles at rates up to 25% lower than those paid to seasoned directors. These practices contribute to a broader issue within the industry, where financial pressures and an underfunded system undermine fair compensation and professional standards.

The structural consequences of these dynamics disproportionately affect those from less privileged socioeconomic backgrounds. Individuals without financial safety nets, such as wealthier family support, are often forced to leave the industry because they cannot sustain themselves on an irregular income. This survey indicates that 62% of directors come from professional backgrounds typically associated with higher social and economic privilege. In addition to socioeconomic disparities, there is a sizeable gender gap among directors. According to our data, **only 31% of directors surveyed are women,** and they **earn 18% less than men.** This aligns with findings from the European Parliamentary Research Service, which highlighted pervasive gender bias for women working behind the camera [17]. The underrepresentation of female directors is a consistent trend across Europe, where women make up only 20% of directors on average, with figures ranging from as low as 5% in Latvia to a higher, but still limited, 30% in Sweden. Beyond underrepresentation, this report from the European Parliament also found that women directors are less likely to receive industry recognition through awards and consistently face lower pay.

Lastly, this research highlights an underrepresentation of directors with disabilities, who make up only 6% of survey respondents. This finding aligns with findings on UK actors, where only 5% of respondents identified as having a disability, and confirm that the audiovisual industry remains a particularly unwelcoming sector for individuals with disabilities [18]. For context, people with disabilities account for 24% of the UK labour force. Socioeconomic and demographic biases have long been critical issues in this sector, particularly in influential roles, as documented by numerous studies. Directors, in particular, play a pivotal role in shaping the industry through their ability to influence on-screen representation. For this reason, increasing diversity among directors is not only a matter of equity within the profession but also a key driver of broader inclusivity within the industry.

[17] European Parliament, Women in front of and behind the camera: Still struggling with inequality

[18] See Mac Andrew et al. (2024) UK Arts, Culture and Heritage: Audiences + Worforce

# Part 2. Contractual Issues

> “Contracts are there to protect the employer rather than me.”

An important concern in the UK film and television industry is that while directors prioritise critical contractual elements - such as start and end dates, weekly rates, and the scope of responsibilities - these discussions often overshadow other important clauses. This focus is justified, as these factors are key to determining whether a job is viable: directors need to assess how a project fits into their schedule, whether there are gaps in their shooting blocks, and how much preparation time is available. They also consider creative factors, such as their level of narrative control, involvement in editing, and the type of screen credit they will receive. However, this emphasis on practical and creative priorities may result in less attention to other contractual details, potentially leaving directors vulnerable to unfavourable terms in areas they did not prioritise during negotiations.

For instance, this research found that one of the most problematic aspects of these contracts is the lack of defined working hours. Contracts, to which the researchers had access to as part of this research, typically state that directors must work "such hours as are necessary," with some agreements covering all work, including “unsocial hours”, without extra compensation for overtime. This research reveals that **56% of directors report working 41-60 hours per week,** with **31% exceeding 60 hours,** and some interviewees even noting **17-hour workdays.**

In addition to exhausting work schedules, many directors encounter further challenges, such as contracts not being respected, instances of fraudulent clauses used to terminate contracts, or very short notice cancellations before projects begin. The precarity of directors in the UK, who, as freelance workers, lack access to the basic protections and benefits associated with traditional employment: **the majority of directors surveyed do not receive holiday pay (56%), sick pay (80%), working expenses (67%), bank holidays (71%) or overtime compensation (72%).**

> “Even when I've signed the contract, I still don't believe that I'm 100% going to do that job until it is day one. Even the day before, I should be starting the job tomorrow. But I also could not be.”

These working conditions are typical of the project based industrial organisation of the creative industries [19]. Inevitably, these will disproportionately impact and ultimately exclude demographic groups which typically require more flexibility. As noted above, women, who tend to spend more time on childcare,[20] are less present in this industry, and are paid less than men. Directors from backgrounds with the lowest levels of socioeconomic privilege, who have fewer financial resources to draw on to absorb unpaid expenses or overtime, are also less present in the industry; those with disabilities, who are more likely to need flexibility for sick or holiday leave, are also underrepresented when compared with the UK labour force, and earn 18% less. **These contractual conditions are therefore likely to have important implications for diversity and inclusivity in the industry**.

A further issue, closely tied to the instability of earnings discussed above, is the lack of clarity many directors have regarding the rights they assign to producers when signing contracts. Our survey found that 61% of directors acknowledged they do not fully understand the rights they grant to producers, and this lack of confidence increases as directors become more established in the industry. This lack of understanding is particularly concerning given the increasing prevalence of 'buyout' contracts - contracts that offer a lump sum payment at the outset in exchange for all rights, leaving no provision for future residuals or royalties - in the audiovisual industry. While our survey found that 34% of directors reported having signed such agreements in the past five years, in practice, directors rarely retain their intellectual property rights. Instead, secondary payments, such as residuals or royalties, are often secured later through collective management organisations, such as Directors UK. This raises the possibility that many more buyouts may be signed unknowingly, given the gaps in directors' understanding of their contractual rights. Therefore, while the reported increase in initial fees may reflect attempts to compensate for these buyouts, the broader decline in residuals and royalties underscores the need for greater transparency and legal support to ensure directors are aware of the long-term implications of these agreements.

[19] See Caves (2002) Creative Industries: Contracts between Art and Commerce
[20] Office for National Statistics, Families and the labour market, UK: 2021

As also confirmed in our research of audio-visual performers,[21] **labour contracts that can be viewed as exploitative are pervasive in the audiovisual industry**. For directors, this is evident in contractual clauses that grant production companies broad rights to terminate engagements immediately if the director is perceived to fail in performing their duties "in a professional manner" or is accused of "incompetence." These clauses, and their lack of precision, create a precarious position for directors and foster a culture where they can feel compelled to maintain a positive demeanour and accept toxic behaviours, as they fear being labelled as troublemakers, which could jeopardise future employment opportunities - echoing similar concerns raised by actors. Furthermore, only 34% of directors surveyed reported having an agent within the past five years, compared to 86% of actors in a recent report. While the absence of an agent is not inherently problematic, it does remove a layer of security. Indeed, agents often play a key role in negotiating favorable contract terms, ensuring that creators receive fair pay and are treated equitably throughout their engagements.

> "You can't push back on things. If you do and it upsets someone, they'll find some reason to get rid of you, because someone else will do it."

These issues are complicated by the way in which directors secure jobs. Like traditional roles, directors are required to provide references to prospective employers. However, unlike most professions, this survey found that directors typically work on an average of 3.4 projects per year, with some involved in as many as six or seven projects. As one interviewee highlighted, this requires submitting dozens of applications, with each serious consideration necessitating the solicitation of references. Unlike other industries, where written references are usually standard, the audiovisual sector predominantly relies on verbal references, which are often given informally. Even though directors tend to provide referees with whom they have good working relationships, they have no visibility into what is said about them, leaving them uncertain about how they are being represented. Furthermore, the heavy reliance on personal connections creates a system where securing future employment often depends on the availability and strength of professional endorsements rather than merit alone. This dynamic not only burdens directors but also places undue pressure on their referees.

[21] See Ehlinger et al. (2024) Behind the Scenes: The Realities Facing UK Audiovisual Performers

> "There's some traumatic moments that should be in a courtroom but you have to go with it. Because if you make waves you might not work again."

Moreover, the use of informal channels for job opportunities, such as closed Facebook groups, have been highlighted by interviewees which further complicates the hiring process. These secretive platforms, while sometimes instrumental in securing work, exacerbate issues of transparency and fairness in the industry. The lack of regulation within these spaces fosters an environment where nepotism can thrive, often allowing those with established networks to gain an unfair advantage over others who may be equally or more qualified. As a result, the industry's reliance on both informal networking and the precarious referencing system reinforces existing power imbalances and perpetuates inequalities in access to job opportunities.

> "I or anyone else in the industry, can't afford to make an enemy of any company, no matter how badly you've been treated"

To conclude, while the industry is undergoing important changes, addressing the working conditions of directors offers a valuable opportunity to strengthen the sector's resilience. By ensuring fairer contracts, equitable pay structures, and sustainable employment practices, the audiovisual industry can not only support its creative workforce but also position itself for long-term growth and competitiveness.

# Appendix: Methods

This report is based on a combination of quantitative and qualitative data, collected through a mixed-methods research approach. The quantitative data was gathered via an online survey conducted between February and April 2024, which received 592 total responses. More details about the survey methodology can be found in the original publication.

In addition, a series of interviews and focus groups were conducted, with the goal of capturing the experiences and perspectives of directors, providing explanatory context to the quantitative findings. Eight interviews with directors each lasting between 60 and 90 minutes, were conducted via video conferencing software. These participants, who come from diverse demographic and income profiles, were selected based on their willingness to participate in further research, as indicated at the conclusion of the initial survey.

The interviews were conducted in a semi-structured format. This approach entailed the preparation of questions in advance, organised around three main themes: 1) Treatment, & Contracts & Remuneration, 2) Technological Developments, and 3) Understanding Professional Practice. This structured yet flexible method allowed for a consistent exploration of key topics initially captured in the survey data while providing the space for spontaneous and in-depth discussions. Such an approach facilitated the emergence of organic, nuanced insights beyond the predetermined questions, enriching the dataset.

Following the completion of the interviews and focus groups, each audio recording was transcribed by the interviewers to ensure accuracy to the participants' responses. The transcribed data was then systematically analysed against the three main themes previously identified. This thematic analysis provided a structured framework for examining the data, enabling the researcher to identify patterns and variations across interviewees.

To protect the identity of the interviewees, all data was anonymised. Names and any potentially identifying information were removed or altered, ensuring that the insights could be shared without compromising the confidentiality of the participants. Where required, quotations have been lightly edited for clarity.

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