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# Freelance and employed theater work in the independent sector in Austria

#### The situation in Austria

The general situation of independent theater makers in Austria is characterized by a paradox or double bind:

According to the Actors Law (of 1922!) on the one hand, everyone on stage has to be a regular employee, actors as well as musicians and most other professionals in the field of performing arts for example directors.

On the other hand nearly everybody in the independent performing arts sector works as a freelancer – as for example in Vienna and Styria, public funding does not allow regular employment even in the highly funded sector of program funding for independent theater groups for a period of two to four years. In other regions of Austria, public funding in the independent sector is much too low for regular employment in any case, with the exception of Lower Austria, where a lot of money is put into summer stages which include a few independent projects.

A great many smaller theaters in Austria have the same problem of not to being able to regularly employ their actors, but are still under obligation of the Actors Law.

This situation has for decades, caused a secret consensus of ,working in a legal gray zone' between funding institutions, organizers and theater groups.

Public funding in the performing arts sector does not however, officially require legal proof of regular employment.

To work as a freelancer is not only common, but a necessity, however, it is not really legal. The number of investigations by the social insurance system is continually rising. To sum it up, you have a segment a number of larger houses with regularly employed ensembles, a huge number of smaller houses with almost exclusively freelance actors (which is illegal) and a high number of independent groups who argue, that since they work as a group without a hierarchical structure, they should be allowed to work as freelancers.

#### IG Freie Theaterarbeit - Association of Independent Theaterwork

The founding process of the Association of Independent Theaterwork in Austria (Interessengemeinschaft Freie Theaterarbeit IGFT) around 20 years ago, was congruent

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with and influenced by the initiation of a small body of support, the IG Netz, in the independent performing arts sector -

# The IG-Netz

The IG-Netz is a small fund with the fixed sum of 300.000 Euros per year to subsidize the insurance costs of professionals in the performing arts sector.

Employers with public funding of less than 450.000 Euro a year (companies as well as small theaters) can apply for subsidies for the regular employment of their artistic staff. But over the years, conditions have become ever stricter.

For example, it is now necessary to prove funding by the federal government at least once within the last three years – a ruling which excludes many would be applicants.

The IG-Netz was founded with the intention to ease regular employment in the off theater scene, but it also allowed an opportunity for freelancers to apply for subsidies for social insurance costs (partial health and accident insurance costs).

Over the years many more clients applied for freelancer-support than for regular employment subsidies.

There are currently around 30 employers – including one famous best practice example: The Theater im Bahnhof TIB, located in Graz, regularly employ all their 16 to 18 ensemble members throughout the year – but decided to do away with their main space in order to reduce their fix costs. It is a unique example of continual and successful work, as well as resistance against the rising precarity in life and work circumstances not only for independent artists.

On the other hand the number of freelancers is growing– currently around 170 - who are being supported by the IG-Netz.

Thus far the minimal support is helpful and needed, but hasn't been able to reverse the rising number of freelancers.

## Insurance system

In 2000 the insurance system in Austria was renewed with the aim to include all freelancers, who had so far not been required to have any insurance under various conditions. (The Austrian insurance system is categorized by the type of work you do - you can't chose a single type of insurance to cover every work situation, but the work you do – regularly employed or freelance, funded by a private institution or as part of a governmental institution – defines the type of obligatory insurance.)

Since then, everyone earning over a certain amount (currently around 7.000 Euro if you work only freelance, or over 4.000 Euro freelance income, if you have a mixed income) must be insured, including health insurance as well as retirement insurance. At the same time a special fund for freelance artists was created:

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## The Künstlersozialversicherungsfonds KSVF - the Artists Social Insurance Fund

This fund was basically modeled on the German system of artists insurance (Künstlersozialkasse) but is very different from the German system: While professionality enables an application in the German system and applicants get a 50% total refund of their insurance costs in Germany; the Austrian system requires that a commission determine whether an individual applicant meets certain professional criteria and offers a limited fixed sum. Because of the rather difficult to fulfill conditions, there are currently only 4.500 artists in the system, of which 2779 of them are in the process of having their subsidies of the last five years disclaimed (most of them because their income from freelance artistic work was too low), while there are nearly 30 Million (!) Euros - gained through secondary uses of artistic work - waiting in the fund....

I could now say a lot about that, but the statistics alone tell the whole story (or maybe more later, if you are interested)

For independent theater makers there are particular difficulties obtaining support from the fund. On one side, because they should be regularly employed and all their contracts may be checked retroactively and on the other hand because the definition of artistic work is very narrow – not including teaching, giving workshops, holding lectures about artistic topics, curating and much more, but simply defines the creation of an artistic work, which sometimes makes difficulties for interpreters of art too (such as musicians, actors etc.). But nevertheless the fund exists, small and rudimentary as it is.

<u>A Study about the 'social and working conditions for artists</u> <u>Austria' and a follow up –</u> <u>Interministry working groups (IMAGS)</u>

In 2005 we - the Association of Independent Theater Work - started an informal process to invite several ministry workers, the cultural speakers of the political parties and other decision- and policy makers to discuss, how we could solve the growing problems in the arts such as multiple (or overlapping) insurance, precarious incomes, illegal contracts, a rising number of freelancers in the performing sector in spite of the Actors Law requiring regular employment and much more.

And – totally unexpectedly - they showed up and a still ongoing process began. At that time all the small NGOs from different disciplines had already joined to form the 'Cultural Council Austria'- a kind of subversive act to get better acquainted, to reclaim political aims and synergy and to gain stronger acceptance as experts and 'social partners' in political discussions.

(since 2005 I am not only manager of the Association of Independent Theater Work, but also head of that informal cultural council)

In 2008 we were able to force Claudia Schmied, the social democratic minister of arts and education to initiate a study about the conditions of artistic work in Austria. Around 4.000

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Artists answered the questionnaire.

Already foreseen, the results of that study were dramatic as already mentioned in the European Union: the income of an artist in Austria (1.000 Euro per month total) is much lower than one of the 'normal' population (1.400 Euro per month total), a third of them live below the poverty line, most of them earn not even half of their income by their artistic work – only around 50% of them have children and then, mostly pretty late in life and 42 % of female artists live as singles (without a relationship) because they can't combine the social relationships to the needs of artistic work.

I was one of seven members of the advisory board of the study and wrote a specific report about the problems in the independent sector of performing arts in addition to the study, which caused some productive practical consequences:

After the minister of arts became aware of the study's conclusions, she agreed to initiate a now formalized process of eight inter ministry working groups:

Work and unemployment conditions, taxes, mobility, funding, social insurance, women in arts, copyrights and the amendment of the Actors Law were put on the agenda. After around fifty meetings, reading thousands of pages, having brought in best practice examples from other European countries (like the French Intermittents, the Netherlands system of artists receiving social aid, but being required to raise their income within a four years period, the Swedish support of unemployed theater makers or the German system, which now allows entry to the unemployment system with only half of the normal time of work as an artist), most of the larger working groups have unfortunately barely any practical results, which casts doubts upon the whole process ( is this the mode of real politics?)

But two of them – inspired by order of my little report- were designed as practical working groups with concrete goals:

One group was assigned to create a better opportunity to combine freelance and regular employed work and the two systems of social insurance, and the other one had the goal to amend the Actors Law.

Both of these groups succeeded in with concrete results: a new actors law (after nearly a century) and another new law with the not very charming name:

Künstlersozialversicherungsstrukturgesetz, which now allows freelance artists under certain conditions to lay their freelance work and insurance 'dormant' for several months during the year and enter the system of unemployment compensation, if the conditions are fulfilled. Both very small tools within a long process, one a small glimmer of hope, the other not even establishing the legal framework of working conditions the independent sector needs.

A guide for recommended wages in the performing sector

As there was no hope in initiating a general rethinking of funding policy during this process and defining a higher percentage of total funding for new projects, small structures, innovative arts, in the independent sector, we - the Association of Independent Theater Work - finally decided to create guidelines, not for minimum, but for recommended wages for artists in the independent performing arts sector.

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We toured the country with the printed guide last autumn and hoped at least to awaken a political awareness of the gap between reality and the needed conditions for artistic work in Austria.

News of the first actual success reached us two weeks ago: the red noses, the international association of clowns, who perform in hospitals and other social institutions, successfully used that brochure to fight for a better contract, in accordance with the proposed income level of our brochure.

For the guide we made one important political decision: we proposed the same level of income (3.000 Euros total per month, per person, including all costs of insurance and of the employer) for freelancers as well as for regular employees, because freelancers are more at risk: they have long periods of unemployment throughout the year, have no paid sick leave and no paid holidays and more...

# Forecast

In 2005 around 250 theater makers from 18 countries formed the informal European Off Network EON, which although without funding has already held three larger and several smaller meetings, through the engagement of people associated with the EON, we are informed about the precarious life and working circumstances of artists in many countries as well as the fragility of structures in the independent performing arts sector all over Europe and beyond – and in some cases could already make a practical difference as cultural ambassador or subversive lobby.

We would greatly appreciate playing an active part in an association on a European level such as SMART seems to become.

Vienna 11.4.2011

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#### IG Freie Theaterarbeit

Informationen zum IG-Netz www.freietheater.at/?page=service&subpage=ig-netz

Infoblätter zu folgenden Themen:

- Sozialversicherung
- Künstler-Sozialversicherungsfonds
- Einkommensteuer
- Umsatzsteuer
- AMS und Team 4 (Arbeitslosengeld, Notstandshilfe,
- Zuverdienstregelung und Betreuung durch Team 4)
- Urheberrecht
- Aufenthaltsberechtigung
- Ausländer-Abzugssteuer

www.freietheater.at/?page=service&subpage=infoblaetter

Sabine Kock: Prekäre Freiheiten. Arbeit im freien Theaterbereich in Österreich. Hg. IG Freie Theaterarbeit, Wien 2009 www.culturebase.org/home/igft-ftp/Prekaere\_Freiheiten\_IGFT.pdf

#### Weiterführende Informationen

Susanne Schelepa, Petra Wetzel, Gerhard Wohlfahrt unter Mitarbeit von Anna Mostetschnig: Zur sozialen Lage der Künstlerinnen und Künstler in Österreich. Studie im Auftrag des bm:ukk, Endbericht. Wien Oktober 2008. www.bmukk.gv.at/kunst/bm/studie\_soz\_lage\_kuenstler.xml

Kulturrat Österreich: Selbstständig | Unselbstständig | Erwerbslos. Wien 2010.

www.kulturrat.at/agenda/ams/infoAMS

Künstlersozialversicherungsfonds www.ksvf.at

Sozialversicherung der Gewerblichen Wirtschaft (SVA) <u>www.sva.or.at</u>

Sabine Kock Tristan Jorde, Hg. IG Freie Theaterarbeit Richtgagen für den freien Theaterbereich in Österreich, Wien 2010 http://culturebase.org/home/igft-ftp/Richtgagen.pdf

Richtgagen- und Richtlöhne für Berufe im Freien Theater. Hg. Berufsverband der Freien Theaterschaffenden (ACT), Schweiz www.a-c-t.ch/dienstleistungen/richtgagen-loehne