A remuneration policy for artists and arts practitioners

Ko te Mahere Utu mō Ngā Kaitoi,

Kaiwaihanga Toi

CONSULTATION DOCUMENT

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Mā te huruhuru, ka rere te manu.

Adorn the bird with feathers so it can fly.

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We're seeking your views

Creative New Zealand is asking for feedback on a draft remuneration policy to support the development of more sustainable careers for artists and arts practitioners. The draft policy proposes a set of principles aimed at ensuring fair remuneration for artists and arts practitioners for the work they do.

By remuneration we mean money paid for work or a service. This could include: pay, salary, wages, fees, allowances, benefits and non-cash incentives as well as income derived from rights or royalties.

We want to hear your views on the scope of the draft policy and the value and good-practice principles proposed that funders and employers of artists and arts practitioners will be encouraged to adopt.

- You will find the online submission form here.
- It will take you around 10 minutes to complete your submission.
- The survey will close on 22 August 2021.

If you have any questions about this document or the questionnaire, or want to provide feedback to us directly, you can:

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Post: Creative New Zealand
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This document outlines:

- 1. the background to developing the proposed remuneration policy, including the research, consultation and actions already taken by Creative New Zealand
- 2. the proposed principles and scope of the policy
- 3. why the remuneration policy is important:
 - for artists and arts practitioners
 - for Creative New Zealand
 - in the wider context, including government and non-government
 - in the context of a fairer work environment being driven by the public sector
 - international policies.

¹ The terms 'artist' and 'arts practitioner' are used broadly and apply to all independent workers in the art sector. The term 'practitioner' encompasses people involved arts production, including producers, stage managers, technicians, publishers, editors, translators, curators, agents and dealers, as well as community-based practitioners. The term includes those people who may not necessarily classify themselves as artists, but who may be necessary to creating, presenting or distributing an artwork.

Where did this work come from?

In May 2019, Creative New Zealand released research undertaken in partnership with NZ On Air titled <u>A Profile of Creative Professionals</u> (the research). To better understand barriers to sustaining a creative career, the research asked around 1500 people working in creative professions questions about their income, training, means of support and wellbeing.

The creative professionals who took part in the research told us that:

- most have difficulty making a sustainable living from their principal artform or creative practice
- the median income from creative work alone is \$15,000 per year
- most (63 percent) do not feel that their remuneration is fair
- they rely on other sources of financial support or 'safety nets', such as their partner's income, non-creative work or savings, and most cannot dedicate as much time to their creative practice as they would like
- satisfaction with their career was lower than that for all working New Zealanders (53 percent and 66 percent respectively).

As a result of the research, Creative New Zealand and NZ On Air agreed a set of joint priorities.

- Fair reward We'll work towards:
 - ensuring lower-paid creative professionals are paid in line with technical professionals
 - lifting pay to the point where creative professionals start to feel it is a fair reward.
- **Sustainability** We'll work to make the careers of mid-career and established creative professionals more sustainable through more continuous creative endeavours.
- **Emerging creative professionals** We'll work with the sector (including peak bodies and guilds) to find better ways to support creative professionals at the start of their career.

What happened after the research?

Following the research and identification of these priorities, in August 2019, we released the discussion document <u>Sustainable Careers for Artists and Arts Practitioners—Umanga Toitū mō ngā</u> <u>Ringa Rehe Toi, me ngā Tohunga Toi</u> (the discussion document).

This discussion document continued the conversation about what the research findings meant. It also explored how Creative New Zealand could work with government (central and local), the arts sector and other stakeholders (including funders) to advance more sustainable careers for artists and arts practitioners in Aotearoa New Zealand.²

In the discussion document, we asked creative professionals questions around six proposed principles that, if embedded, could improve the sustainability of creative careers.

Overall support was expressed for the principles and a clear indication given that it was no longer sustainable for the sector to continue working in the way it has and that things needed to change.

The <u>summary of the consultation</u> report was published in October 2020 (publication was delayed due to the COVID-19 pandemic).

² By a 'sustainable career' we mean a pathway of creative work over the course of an individual's working life that lets them earn a viable living to support themselves and their family.

What are Creative New Zealand's sustainable careers principles?

From the post-research consultation, Creative New Zealand confirmed six principles that, if consistently evident across the sector, would contribute to sustainable arts sector careers.

- 1. Artists' and arts practitioners' creative practice is valued and regarded as 'real work'.
- 2. Artists and arts practitioners are remunerated fairly for their work.
- 3. Artists and arts practitioners are well positioned to adopt a portfolio approach to achieving a sustainable career.³
- 4. Artists and arts practitioners are prepared for a career in the arts and cultural sector.
- 5. Artists and arts practitioners can access support to grow and develop a sustainable career.
- 6. Artists' and arts practitioners' careers contribute positively to their wellbeing.

To give effect to these principles, in particular, Principle 2, and to an extent Principle 1, Creative New Zealand undertook to do two things:

- a) **develop a pay policy** that sets out good-practice principles for those working in the arts (artists and arts practitioners and those in associated roles), that would build on and complement its existing fair pay guidelines for Arts Grants
- b) facilitate an industry-led process to **develop pay guidelines** to set benchmarks for what creative professionals in various roles and at various career stages should be paid.

Our current focus is on developing a remuneration policy (that is, the pay policy referred to above) for artists and arts practitioners. This will help inform future work done in connection with pay guidelines.

Work on a remuneration policy is taking place in a wider context, including changes Creative New Zealand has already made to its own practices, such as the introduction of fair pay guidelines for Arts Grants, and across various government initiatives that affect or contribute to more sustainable careers for artists and arts practitioners. (See section 2 for more detail.)

More broadly, the sector has been particularly hard hit by the COVID-19 pandemic. Venues have been closed and activities, such as live performances, exhibitions, tours and festivals, have been postponed or cancelled. In addition, work opportunities in sectors where artists and arts practitioners have traditionally found secondary employment, such as tourism and hospitality, have dried up reducing opportunities to supplement their income from their creative work.

The sections that follow outline the proposed principles and scope of the policy (section 1) and why this work is important for artists and arts practitioners, Creative New Zealand, central and local government and other funders (section 2).

³ A portfolio career in the arts sector is one in which artists and arts practitioners are unlikely to have a single permanent job, and may be balancing their creative practice with related creative work, such as teaching and/or non-creative work.

SECTION 1: PROPOSED PRINCIPLES AND SCOPE WAHANGA TUATAHI

Why develop a remuneration policy?

Creative New Zealand's research and subsequent consultation has highlighted the challenges artists and arts practitioners face in maintaining a career in their chosen field. Employment in the creative sector is characterised by:

- low pay
- lack of job continuity and portfolio careers
- expectations that creative professionals will work for free or low pay
- a lack of recognition of the value of creative work.

The intention of the remuneration policy for artists and arts practitioners is to support the development of more sustainable careers through:

- the fair remuneration of artists and arts practitioners for the work they do
- modelling good practice for the engagement of artists and arts practitioners, including the
 way Creative New Zealand engages with artists and arts practitioners and what it expects of
 the people, groups, collectives and organisations it funds
- advocating for fair payment for all aspects of employment in the sector by central and local government and the private sector
- collaborating with other agencies on initiatives that contribute to the building of sustainable careers.

Some of the draft principles proposed will apply more to organisations in receipt of funding through our Investment programmes (Toi Tōtara Haemata and Toi Uru Kahikatea Investment programmes) than to smaller organisations, collectives, groups or individuals.

However, the principles are a starting point for thinking about the terms and conditions under which artists and arts practitioners are employed or contracted to provide services. For individual artists and arts practitioners, the principles should provide pointers about their rights when agreeing to employment opportunities and negotiating contracts for themselves or working through agreements for collaborative work.

The draft principles and proposed scope have been framed based on issues identified in the research report, the consultation summary report, international policy statements and Creative New Zealand's experience in implementing fair pay guidelines for Arts Grants. Further work has been done to ensure the principles underpinning a policy for Aotearoa New Zealand are inclusive of both Māori and Pasifika artists and arts practices and are fit-for-purpose in this context (including the industrial relations environment).

Throughout the development process, we have endeavoured to ensure the principles align with the directions embodied in our *Statement of Intent 2019–2029*, *Te Hā o ngā Toi—Māori Arts Strategy 2019–2024* (including Te Waka Toi Pātaka, our Mātauranga Māori Framework) and the *Pacific Arts Strategy 2018–2023*.

The draft principles and proposed scope are designed as **conversation starters**. They are presented as **value principles or statements** with good practice principles given below each value statement.

The aim is that this policy will support **change over time** in practices for remunerating artists and arts practitioners, and so improve the sustainability of arts sector careers. Current practices are long entrenched, and we recognise it will take time to shift these.

We are planning to complete the policy over 2021 and then develop a plan for implementing the changes in consultation with arts communities and those who support them.

We recognise that improving remuneration may have implications for the level of services that can be delivered, and this will be an important point for discussion with the sector as we look to implement any policy.

Proposed remuneration principles – to form the basis of a remuneration policy

The proposed remuneration principles are presented as **value principles or statements** (bold headings) with **good practice principles** below each value statement.

These principles align with the Kawenga (responsibility), Whakarite (balance), Hapori (community) and Maiatanga (potential) elements of Te Waka Toi Pātaka (Creative New Zealand's Mātauranga Māori Framework) that underpins <u>Te Hā o ngā Toi—Māori Arts Strategy 2019—2024.</u> They also align with the Tagata and Va pou within the *Pacific Arts Strategy 2018—2023*.

1. The value of the arts and creative work to society is recognised

The important role artists and arts practitioners play in the lives and wellbeing of all New Zealanders should be recognised in remuneration (and employment) practices.

(a) The value of the contribution of arts and creative work to New Zealand society and the economy should be recognised and rewarded fairly.

2. Cultural and creative practices are recognised and valued

Cultural and creative practices from Aotearoa New Zealand and the wider Moana-nui-a-Kiwa (Pacific), including an understanding of mātauranga, whakapapa, connection with communities and mana tuku iho (identity and belonging), are valued and acknowledged for the contribution they make to our wellbeing (social, cultural, environmental and economic).

(a) Like all forms of creative work, cultural and creative practice should be valued and acknowledged, and, where appropriate, remunerated accordingly.

3. Remuneration practices reflect good practice rather than minimum standards

Improvement in remuneration standards for artists and arts practitioners should acknowledge the typically low base at which they currently sit.

- (a) Better than minimum standards of remuneration is the goal for the arts sector.
- (b) All remuneration must consider the status and experience of the artist and arts practitioner and the value of their contribution to a project.

4. All creative work is, by default, to be paid work

Remuneration practices should recognise that unpaid work by artists and arts practitioners is a hidden subsidy for the sector and falls on those who can least afford it. From time to time situations may arise where remuneration does not apply. In these instances, the rationale for this approach should be clearly articulated and understood.

- (a) No artists and arts practitioners should be expected to work for little or no pay.
- (b) Where artists and arts practitioners agree to work unpaid, for low pay or 'in kind' compensation, agreement must be reached about the benefits and/or value for each party.

5. Remuneration practices must comply with relevant legislation and sector organisations' standards

- (a) All employment must conform to relevant New Zealand employment legislation and other legal requirements.
- (b) Where sector organisations have established guidelines for that sector, these should be referred to and implemented.

6. Remuneration practices recognise artists' and arts practitioners' rights and interest in the work they create

- (a) Artists' and arts practitioners' copyright and intellectual property should be protected as both a moral and an economic right.
- (a) Contractual arrangements should allow for artists to benefit appropriately from the future exploitation of their work.

7. Remuneration practices are equitable

- (a) All artists and arts practitioners should receive equitable remuneration. Where appropriate, experience and seniority should be considered.
- (b) Equitable access to employment opportunities should be available for diverse communities irrespective of age, gender, ethnic affiliation, physical or other disability, sexual orientation or religion.

8. Remuneration practices should be transparent

- (a) Where an organisation receives funding through Creative New Zealand's Investment programmes, it should have its own remuneration policy agreed by its governing body and made publicly available.
- (b) All communications between an artist and arts practitioners and the party engaging their services should be open and transparent to both parties, to avoid misunderstanding around the expectations of both parties.
- (c) All work and roles in a project should be covered by a contract.
- (d) All contracts should be negotiated in good faith, setting out the full nature and scope of a project, the status of an engagement, associated taxes and benefits, and obligations of the employer as well as the artist and arts practitioner.

- (e) If they wish, artists and arts practitioners must be able to seek advice on any contract agreements they are party to.
- (f) All payments or fees for all roles involved in a project must be visible in application budgets and post-project reports.
- (g) All aspects of a project, including research, development, cultural advice or promotional work such as media calls, must be visible and included in budgets.
- (h) Artists' and arts practitioners' fees should be ring-fenced to ensure they are protected against budget over-runs.
- (i) Conditions of payment must be clear (eg, per word, per event, per season, weekly/fortnightly).

Questions to consider

- 1. Do you agree with the proposed principles and values?
- 2. Are there any other principles and values we should consider as part of this policy?
- 3. What impact will the proposed principles and values have on what you do?
- 4. What support would help you apply these principles to what you do?

Proposed scope of the policy

Who will the policy apply to?

It is proposed that these principles and any resulting policy apply to the following.

Artists, arts practitioners and holders of cultural knowledge that Creative New Zealand engages directly

- (a) Creative New Zealand engages directly with artists, arts practitioners and holders of cultural knowledge from time to time, for example: to perform at functions, participate in focus groups or discussions, provide guidance on engagement with diverse communities, or to use their images in publications.
- (b) Creative New Zealand undertakes to uphold the values and principles in this policy in these interactions.

2. Those Creative New Zealand invests in

- (a) Creative New Zealand expects those it funds to pay artists and arts practitioners fairly and engage them appropriately.
- (b) Organisations, collectives, groups and individuals engaging with artists and arts practitioners have a duty of care towards them. Open, fair and transparent dialogue should underpin terms of engagement for all artists and arts practitioners.
- (c) Creative New Zealand expects organisations receiving funding through its Investment programmes to show leadership and set an example for the sector by giving effect to the principles.⁴
- (d) Depending on the funding programme, the approach to artists' and arts practitioners' remuneration may form part of Creative New Zealand's assessment criteria.
- (e) Depending on the funding programme, artists' and arts practitioners' remuneration may form part of ongoing monitoring and reporting.

3. Government, local government, private sector, sector bodies and unions

- (a) Creative New Zealand recognises its role in advocating for fair and equitable remuneration of artists and arts practitioners across the government and local government sectors, and other organisations distributing public funding to the arts.
- (b) Creative New Zealand will engage with key public policy and legislative issues that impact on the earning potential of artists and arts practitioners.
- (c) Creative New Zealand encourages other government departments and agencies, local government, the private sector, sector bodies and unions to have regard to the principles of this policy when working with artists and arts practitioners.

4. Artists and individual practitioners

- (a) Creative New Zealand believes artists and arts practitioners should feel valued and for them to expect to be treated fairly.
- (b) Creative New Zealand believes artists and arts practitioners should know their worth and feel confident and empowered when negotiating terms and conditions of work.

⁴ Toi Tōtara Haemata and Toi Uru Kahikatea Investment programmes.

(c) Creative New Zealand encourages artists and arts practitioners to ensure they make provision for their own remuneration in project budgets and in applications to Creative New Zealand and other funders.

SECTION 2: WHY IS A REMUNERATION POLICY IMPORTANT... WAHANGA TUARUA: HE AHA I MEA NUI AI TE MAHERE UTU TIKA?

...for artists and arts practitioners?

Establishing a remuneration policy is a step towards ensuring that creative work is valued, that artists and arts practitioners are treated fairly when forming a work relationship and are better supported to develop a sustainable career in their chosen field.

Fair remuneration for their creative work contributes to artists' and arts practitioners' life satisfaction and wellbeing. Depth and diversity within the sector are also supported when artists and arts practitioners are less reliant on working outside the sector to make a living.

...for Creative New Zealand?

Creative New Zealand proposes to lead by example in the way it works with the artists and arts practitioners it engages with directly. Creative New Zealand will continue to build on the changes made to its practices, its expectations of those it funds and works with, to support artists to build more sustainable careers.

What has Creative New Zealand done already?

Following the release of the *Profile of Creative Professionals* research, Creative New Zealand identified a *Stronger arts sector* as a new strategic outcome in its 10-year strategic direction to 2029, as set out in the <u>Statement of Intent 2019–2029</u>. One element of a *Stronger arts sector* is that *New Zealand's arts sector is resilient*. Sustainable arts sector careers are an important element of a *Resilient arts sector*, one of the three main features of our <u>Investment Strategy Te Ara Whakamua</u> 2018–2023.

The research also informed the decision to introduce **fair remuneration guidelines** for Arts Grants in 2019/20. These included:

- ensuring pay rates do not fall below the minimum wage for employees aged 16 years and over
- a minimum of \$4,000 per month for full-time wages, salaries and stipends
- a minimum rate of \$25 per hour for artists and arts practitioners, adjusted to take account of skills, experience and duration of the project
- a recommended rate of at least \$25 per hour for internships.

For Arts Grants, 'fair remuneration' means pay rates for more experienced artists and arts practitioners should:

- be at a level above or well above the minimum set out above
- be in line with their relative skills and experience
- recognise the duration of the project and other work-related factors (that is the 'contract' nature of the work).

These changes have been accepted by the sector.5

Creative New Zealand has also:

- changed the purpose of the Arts Grants programme (following the review of the Grants investment category under the *Investment Strategy Te Ara Whakamua 2018–2023*) to include, as one of four programme purposes, 'more sustainable careers for individual artists and arts practitioners'
- lifted the maximum grant levels for the Arts Grants programme from \$65,000 to \$75,000 per project
- established an Annual Arts Grant programme of up to \$150,000 for a 12-month continuous programme of activity.

...in the wider context.

Government

The Government has identified 'the cultural sector is supported and growing sustainably' as a priority for the Arts, Culture and Heritage portfolio. A significant amount of related work is under way across government and the wider sector.

- Several new initiatives were announced in the Government's 2020 Budget as part of the Arts and Culture COVID Recovery Programme (more than 25 cross-sector initiatives designed to deliver short-term relief as well as longer-term support for the sector following the COVID-19 pandemic), including:
 - <u>Creative Careers Service</u>: led by the Ministry of Social Development, a programme supporting people back into the creative sector and sustainable work.
 - <u>Cultural Sector Regeneration Funds</u>: led by Manatū Taonga Ministry for Culture and Heritage, three major funds aimed at creating employment and training opportunities, ensuring vital skills, talent and creative infrastructure are not lost, and maintaining and expanding public access to creative and cultural experiences. These include:
 - Te tahua whakakaha cultural sector capability fund
 - Te tahua whakahaumaru creative arts recovery and employment (CARE) fund
 - Te tahua āki auahatanga cultural sector innovation fund
- The Ministry of Business, Innovation and Employment has been leading a Review of the Copyright Act 1994, to ensure the copyright regime keeps pace with technological and market

⁵ These guidelines are now being used as the basis for pay guidance for the Manatū Taonga Ministry for Culture and Heritage *Cultural Installations and Events Fund*, under the Cultural Arts Recovery and Employment Fund (one of three Cultural Sector Regeneration Funds).

developments and is not inhibiting the provision of, and access to, innovative products and services, which will underpin higher levels of wellbeing in New Zealand.

- 3. The Department of Internal Affairs is leading a **Review of the Public Lending Right (PLR)**. The PLR is a scheme that provides for authors, illustrators and editors to receive payments in recognition that their books are available for use in New Zealand libraries.
- 4. Under the leadership of the Tertiary Education Commission, six new **Workforce Development Councils** (including one covering Creative, Cultural, Recreation and Technology) have been established. Their role will be to help industry take a lead in making the workforce fit for today and the future. Through skills leadership plans, the councils will set a vision for the workforce and influence the vocational education and training system.

Non-government

In addition, Copyright Licensing New Zealand is developing a **Visual Arts Licence**. While visual arts image management services exist in 60 countries internationally, until now, New Zealand has not had such a service.

In 2020, the **Arts Foundation Te Tumu Toi**, introduced its **Springboard** programme. The programme gives awards to creatives with outstanding potential who want to start careers in a variety of arts disciplines. The financial, mentoring and resource support system is designed to have a significant impact on their growth and development as artists.

...a fairer work environment being driven by the public sector

In May 2021, the Public Service Commission released its <u>Government Workforce Policy Statement</u> on the Government's expectations for employment relations in the public sector. As an autonomous Crown entity, Creative New Zealand must have regard to this policy.

The Government's intention is to establish the Public Service as an exemplar employer in New Zealand's public service and beyond. The main priorities relevant to the remuneration policy for artists and arts practitioners are:

- employ people fairly, equitably and in a way that allows them to live good lives and participate in the economy
- create an inclusive environment for all workers with the aim of achieving a diverse workforce.

Work to introduce **Fair Pay Agreements** was announced by the Minister for Workplace Relations and Safety in May 2021. The objective is to improve labour market outcomes by enabling employers and employees to collectively bargain industry or occupation-wide minimum employment terms.

...international policies

Internationally, arts councils and governments are recognising the necessity to improve artists' living and working conditions. Examples include the following.

 Arts Council of Ireland's <u>Paying the Artist Policy</u>, provides a set of best-practice principles for those working in the arts and sets out the Arts Council's expectations of those it funds, those it works with and itself.

- National Arts Council Singapore's <u>Arts Resource Hub</u>, is dedicated website targeted at freelance arts practitioners in Singapore who are planning to develop their careers. The Hub aims to enable arts freelancers to unlock new opportunities and grow meaningful careers for the long term.
- In The Netherlands, a Fair Practice Code was developed by the arts sector in 2017 and revised in 2018. The code is an umbrella document under which regulations and guidelines can be developed that contribute to improving the remuneration and employment conditions of professionals in the cultural and creative sector.

Arts councils have generally stopped short of developing pay scales, stating instead that where minimum wage guidelines or industry standards exist they should be adhered to.