# HOW WILL ARTISTS GET PAID IN THE FUTURE?

# The rising importance of the income that artists get from showing art — and how it adds to income they get from grants and sales.

a presentation at the <u>EXHIBITION PAYMENT SYMPOSIUM</u> 24 September 2021, Helsinki, Finland Maijansali, Ode — Helsinki Central Library.

Organised by International Artists Association Europe (IAA Europe) & The Artists' Association of Finland & a-n The Artist Information Company.

### TEEMU MÄKI

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## The definition of Exhibition payment

# **Exhibition payment, what is it?**

- works are for sale or not.

- temporary, clearly made only for the exhibition in question.

• It's money that artists get for exhibiting their art — no matter whether the

· It's a "pay for use" model, one among many. Different from "pay for ownership".

 Artists may get it from exhibitions they have in museums and other similar venues. Commercial galleries are a different matter, since their basic nature is closer to a shop, whereas a museum resembles more a theatre or a library.

• There are many kinds of exhibition payment systems. In some countries it's a combination of copyright payments and payments for the working hours artists spend on their exhibition. In some other countries, these are separate systems.

 $\cdot$  The actual artistic work — making artworks — is NOT usually paid for by the exhibition payment system. In some models that kind of artistic work can be covered by the exhibition payment system, if the artistic work is site-specific and

# **Exhibition payment, how is it justified?**

- 1) works by living artists shown in museums are just borrowed for the show, not bought.
- 2) Fair practice is urgently needed:
  - visibility and increases your chances of getting grants!"
  - wages, payments and purchases of artworks).
- The copyright part of exhibition payment is a basic right. 3)
- Exhibition payment is the missing link in visual artists' income palette: 4)
  - $\cdot$  Grants = income based on merit.
  - Selling = income based on commercial success.

Exhibitions are not only shops or displays of bought objects anymore. It used to be: galleries show to sell, museums show what they've bought. Now it's common that nothing is sold from a gallery show and the artist & gallery still think the show was a success. Also, now most of the

· It's not fair that artists are expected to create content for exhibitions without any guarantee of pay. It's not fair to say: "But you might sell something!" or "But this improves your brand &

• At the moment for example in Finland only 3% of art museums' budget goes to artists (= as

• Exhibition payment (and other forms of "pay for use") = income based on popularity & demand.







# **Exhibition payment, how much is it?**

An example: In Finland exhibition copyright fee (näyttelykorvaus) is separate from exhibition work remuneration (näyttelypalkkio).

- and the bigger the audience, the higher the payment gets from these levels.
- - a smaller payment and the artist might accept it.
  - and representatives of museum sector, cities and the state.

1. <u>Exhibition Copyright Fee</u>. Minimum is 300 € per artist, paid if there are ten or more artists in the show. If it's a solo show the minimum is 1 300  $\in$ . The longer the show is

2. Exhibition Work Remuneration. Minimum should be 500 € per artist, which is paid if there are ten or more artists in the show. If it's a solo show the minimum is 5 000  $\in$ . These are the rates for small exhibition spaces, for mid-size spaces the rates are 50 % higher and for big spaces 100 % higher. In addition, if there is extra work, for example a lecture or creating a site-specific installation, a bonus must be paid.

- These are recommendations. Because of contractual freedom the venue may offer

- The recommended rates are results of negotiations between artists' organisations

Kuvaston laskuttaman näyttelykorvauksen hintaan lisätään 10 prosentin arvonlisävero.

Taiteilijoita näyttelyssä	Korvaus € / taiteili
1	1300 €
2	800€
3	580€
4	465€
5	410€
6	375€
7	350€
8	330€
9	315€
10 (tai enemmän taiteilijoita)	300€

### Aikakerroin:

Taiteilijakohtainen perushinta käsittää 60 päivän näyttelyajan, johon lasketaan se aika, minkä näyttely on ollut yleisölle avoinna. Kun näyttelyaika pitenee, taiteilijakohtainen korvaus nousee seuraavasti:

90 päivään saakka 120 päivään saakka 180 päivään saakka

lija

### From the website of **KUVASTO**, the **Finnish copyright** society for visual art.

50 % 90 % 120 %



Näyttelyyn osallistuvien taiteilijoiden määrä. Hinnat = € / osallistuva taiteilija	Pienet näyttelytilat, alle 200 m <sup>2</sup>	Keskisuuret näyttelytilat 200–400 m <sup>2</sup>	Suuret näyttelytilat, yli 400 m <sup>2</sup>
10 taiteilijaa tai yli	500 €	750€	1 000 €
9 taiteilijaa	600 €	900 €	1 200 €
8 taiteilijaa	700 €	1 050 €	1 400 €
7 taiteilijaa	€ 008	1 200 €	1 600 €
6 taiteilijaa	900 €	1 350 €	1 800 €
5 taiteilijaa	1 000 €	1 500 €	2 000 €
4 taiteilijaa	1 500 €	2 250 €	3 000 €
3 taiteilijaa	2 500 €	3 750 €	5 000 €
2 taiteilijaa	3 500 €	5 250 €	7 000 €
yksityisnäyttely	5 000 €	7 500 €	10 000 €

From the final report of the Finnish **Ministry of Culture's** Exhibition Payment Working Group



# How do artists make a living?

# How do artists (in all the arts) make a living?

- 1. Selling their art. Physical artworks, digital artworks, tickets to events.
- 2. Grants. That artists and organisations get from state (and EU), city and foundations.
- 3. Wages. Paid for artistic work, by the hour or at contract rate.
- 4. **Copyright fees and remuneration** TV, radio, online, exhibitions, etc.
- 5. Sponsorships, ad revenue. "Paid by clicks."
- 6. Another, non-artistic job. A kind of "internal redistribution of income": a person or an organisation sponsors its artistic side with its non-artistic, commercial side.
- 7. Social security system. A very large portion of art that people consume is actually made on welfare or unemployment benefits.

### 4. Copyright fees and remunerations for showing/sharing. For our works shown on

# How do visual artists make a living in Finland?

Only 31 % of visual artists' taxable income is from artistic work.

When asked; "What is your main source of income?"; these where the answers, starting from the most common and ending with the rarest:

- made on welfare or unemployment benefits.
- also have commercial, photographic work.)
- showing art).

1. Social security system. A very large portion of art that people consume is actually

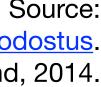
2. Teaching art. To kids, amateurs and art students. (And photographic artists may

3. Grants. That artists and organisations get from state (and EU), city and foundations.

4. Artistic work (Selling their art, Wages, Copyright fees and remunerations for

5. Another, non-artistic job. A kind of "internal redistribution of income": a person or an organisation sponsors its artistic side with its non-artistic, commercial side.

> Kaija Rensujeff: Taiteilijan asema 2010 – Taiteilijakunnan rakenne, työ ja tulonmuodostus. Arts Promotion Centre Finland, 2014.



# A few facts about the visual artists' income in Finland

- 1. There are 3000 professional visual artists here (in population of 5,5 million).
- 2. Visual artist's average total income per year is about 60 % of the Finnish median income. That also happens to be the official poverty line, according to EU.
- Grants are the most important source of *artistic income* for visual artists, but only 9 % of applicants get a grant. State and foundations are equally important grant givers.
- 4. Selling art is the main source of income only to a small minority. Much more common main income sources are: teaching art, non-artistic day job, welfare/ unemployment benefits. Royalties & wages for artistic work are still a very small slice of the income pie.
- Poverty is common in other arts too: There are 770 professional writers in Finland. Their average income from artistic work is 2 000 € per YEAR — not including grants. The median income in Finland is a <u>3 153</u> € per MONTH.
- 6. Thus....the main "business model" for artists is some kind of "redistribution of income".

- 1. Selling their art. Physical artworks, digital artworks, tickets to events.
- 2. Grants. That artists and organisations get from state (and EU), city and foundations.
- 3. Wages. Paid for artistic work, by the hour or at contract rate.
- 4. Copyright fees and remunerations for showing art. For our works shown on TV, radio, online, exhibitions, etc.
- 5. (Sponsorships, ad revenue. "Paid by clicks.")
- 6. Another, non-artistic job. A kind of "internal redistribution of income": a person or an organisation sponsors its artistic side with its non-artistic, commercial side.
- 7. Social security system. A very large portion of art that people consume is actually made on welfare or unemployment benefits.

### SELLING ART

(Physical artworks, digital artworks or tickets to our events.) Some potential, I do love selling my art, but...

- income for the majority of artists.
- stuff to make room for new?
- from for example the context of performing arts.)
- permanent objects.
- books, audio/video files or tickets to events.)

A) Art market can grow... ...but not so much that it could become the main source of

B) At some point homes & museums will be too full of art. Will we then start burning old

C) The motivation for purchasing art is fairly weak, because art-lover can enjoy an endless amount of art in galleries and museums for free or for a nominal fee. (Very different

D) It's increasingly common for visual artists to make something else than sellable,

E) The more we have to rely on sales the more we are at the mercy of the rich. And that's not good for the arts and society. (Unique physical objects that are time-consuming to make are naturally expensive. Their market is drastically different from the market of

### GRANTS

(That artists and organisations get from state (and EU), city and foundations.) **Great potential, because:** 

- essential public service and citizen's basic right.
- the arts provide.

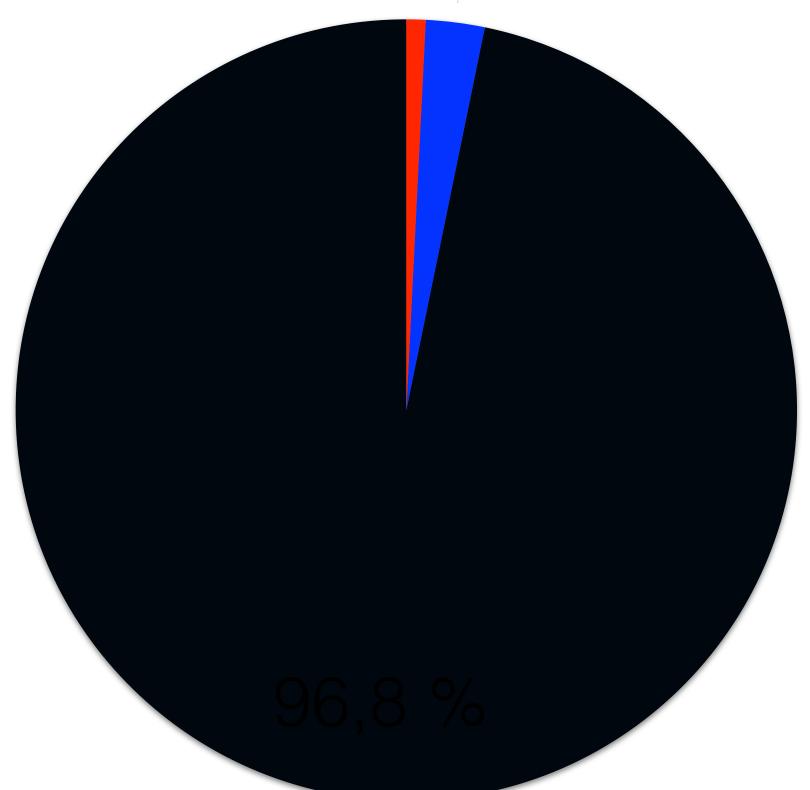
A) If the role of **art** in society is seen important enough, it makes sense to think of it **as an** 

B) For 30 years I've been hearing how "In the future the state will not fund the arts this generously anymore. Capitalism has won." And yet the art funding in Finland and in many other countries too has actually increased. There's support for it left and right. C) After the World War 2 human kind has not faced the kind of enormous problems we are facing now: climate crisis, the 6th mass extinction, the erosion of democracy, the accumulation of wealth and power into ever fewer hands. In this situation we need more than ever — the kind of critical thinking and discussion and visioning that

### For artists, Finland is a good place to be, but...

- 1. **The budget of Finland** (2019): 55,7 billion €.
- 2. 0,8 % of that (0,45 billion  $\in$ ) goes to arts & culture.
- 3. 2,4 % (1,4 billion €) from the state budget goes to business subsidies.
- 4. A detail in the arts & culture budget: only 22 million goes directly to artists as grants.
- 5. A detail in the business subsidies: 95 million per year "to increase the competitiveness of Finnish shipping companies".
- 6. **Not** included in the budget: Finland gives 3,3 billion's worth of tax breaks to businesses. And Finnish agriculture is subsidised by EU with 0,9 billion €, on top of the 1,2 billion € given by state of Finland.

Business subsidies 2,4 % Arts & Culture 0,8 %



http://budjetti.vm.fi/indox/tae/frame\_year.jsp?year=2019&lang=fi https://tutkibudjettia.fi/talousarvio/menot/31/30 http://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/79863/TEMrap 22 2017 verkkojulkaisu.pdf https://yle.fi/uutiset/3-10597377 https://yle.fi/uutiset/osasto/news/finland pays billionaire 400000 euros in agricultural subsidies/10126993



### WAGES

(Paid for artistic work, by the hour or at contract rate.) **Great potential, because:** 

- A) Artworks we make are increasingly often temporary, site-specific, immaterial, participatory, event-like or digital. Selling these the way we traditionally sell paintings is not reasonable.
- B) Exhibitions should be seen as events, for which artists provide the content. And it's fair to always pay for that content — if not by buying the artwork then by paying for the trouble it took to make it. (This is very different from the old paradigm, where exhibition was seen as a shop.)
- C) An encouraging example from Finland: a museum director is in favour of a system, where museums would always hire the artist, who is going to have a show, for three months before the exhibition.

### **COPYRIGHT FEES AND REMUNERATIONS FOR SHOWING ART Great potential, because:**

- A) At the moment these payments are still small and often nonexistent, but there is room for enormous growth — the audience consumes enormous amount of visual art in exhibitions, books and online.
- B) In most artforms there is a move from "buy to own" towards "pay for use". For the artists the results have generally been disastrous: books, music and films are consumed through streaming services, but the payments are so small that fewer than ever before can get a significant income from it. The tide cannot be turned, as it's based on technological evolution, but the payment system and the fairness of it certainly can be changed. And also visual arts can be in that struggle and benefit from it.
- C) If freelancing and self-employed artists get the right to collectively bargain for their rights and payments, a drastic change is possible. It very much depends on how the competition laws are interpreted.
- D) An encouraging example from literature: It used to be so that authors, whose works are loaned from libraries, did not get any compensation for the free loans. Now we do, an EU directive dictates that. For example in Finland the state now spends 16 million Euros on that (25 cents per loan) annually. Similar revolution is possible in visual arts too.



# THE WAY AHEAD

# in copyright fees and remunerations for showing art

### TO DO LIST:

- A) Get these payment systems going in every country.
- suitable places too.
- get or could get also from online distribution of their art.
- can be represented by their organisations.

B) Establish a system where the payment rates are negotiated and updated in a fair manner. A point of comparison: the library loan compensation the writers now get is good, but - at least in Finland - there is no negotiation mechanism to assess the compensation rates. It leaves the writers at the mercy of the state in this matter. C) Expand the exhibition payment system from museums (and similar venues) to other

D) Create or improve "pay for use & pay for work" models in other contexts too. Exhibition payment systems are closely related to payments that artists in all the arts

E) Fight for the right for collective bargaining. Artists will not achieve fair payment rates if they are forced to negotiate them as individuals. The competition law must be interpreted in such a way that in the negotiations freelancing and self-employed artists

Thanks for listening.

Artist (Doctor of Arts) / Writer / Director (dance/film/opera/theatra) / Theorist www.teemumaki.com

> Chair, The Artists' Association of Finland <u>www.artists.fi</u>

### TEEMU MÄKI

## The bonus part, if there's time:

# The role of the state & The role of art

# The role of the state, 1: Tax-funded means of funding the arts

- 1. **Public art institutions.** Libraries, museums, orchestras, theatres...
- 2. Grants & subsidies. For artists and production companies.
- 3. Tax breaks. For artists, art organisations and artworks.
- 4. Welfare state. Welfare and unemployment benefits, free education.

# The role of the state, 2: **Regulating the market**

- 5. Laws and directives that define the way the markets function:
  - Do the artists have the right to collective bargaining or not?
  - Do some corporations or institutions dominate the markets in a harmful way?
  - What's the right duration for copyright, 50 years, 70 years, eternity or zero?

# How Do the Arts Benefit the Society?

The six common, traditional explanations from the viewpoint of the nation state. In Finland they have been incorporated into state policy in this chronological order:

- social cohesion." (The creation & preservation of the nation and the people.)
- our worries and charge our batteries." (Art as workers' recreation.)



- philosophy & politics.)
- 5.
- 6. "Art can make a powerful contribution to health and well-being."
- (I've highlighted no. 4, because for the arts it's the most emancipatory.)

1. "Art creates and maintains our national identity, our common culture, language and

2. "Art refines us, elevates us from barbarity and makes us more sophisticated and moral." (Art enlightens the primitive masses and heals the anguished bourgeoisie.)

3. "Art is an efficient form of rest and relaxation with which we can for a moment forget

"Art is an indispensable form of critical thinking. Free and open society needs critical art, because it's the most holistic and free form of critical inquiry and debate." (Art as

"Art can be a flourishing sector of economy, creating huge financial added value."

# Why the Arts Have Public Funding?

States, cities and foundations keep funding art...

- 1.
- the so-called minorities, thus affirmative action is needed.
- 3.
- ...because otherwise the rich alone would decide what kind of art is good and 4. widely available.

..to make the arts independent and foster them as a form of critical thinking.

(I've highlighted no. 5, because that's the most powerful justification for public funding.)



...to increase the quality of art. Public funding gives the artist more freedom, time and resources than what the markets would allow. The same as in *basic research* in science.

2. ...to increase the diversity of art. Markets boost only a narrow selection and leave out

...because otherwise the arts (as a basic right) would not be available to all citizens.

## WHAT ART GIVES TO SOCIETY? (The official line of The Artists' Association of Finland and Forum Artis.)

- 1. "Art improves our health & well-being."
- 3. "Art increases equality and social cohesion & improves democracy."

Some art organisations do mention "the intrinsic value of art", but we don't - either because we don't believe in it or because in lobbying it just doesn't work.

We support our argument with for example this: Daisy Fancourt & Saoirse Finn. What is the evidence on the role of the arts in improving health and well-being? A scoping review. Copenhagen: WHO Regional Office for Europe; 2019 (Health Evidence Network (HEN) synthesis report 67). http://www.euro.who.int/en/publications/abstracts/ what-is-the-evidence-on-the-role-of-the-arts-in-improving-health-and-well-being-a-scoping-review-2019

2. "Art is an indispensable form of critical thinking. Free and open society needs critical art, because it's the most holistic and free form of critical inquiry and debate."

4. "Art & culture is an important sector of economy." Creates huge financial added value. Creates a lot of jobs. Is ecological and grows faster than other sectors.

# My own view on WHAT'S THE PURPOSE OF ART?

### **1.** Pleasure

- The pleasure of escaping reality. (= Escapism.) A)
- The pleasure of facing & researching reality. (= Critical art.) B)
  - We often do both of the above simultaneously.
  - It's often about creating new reality, bit by bit, through fantasy.
  - It can also be about creating new forms of pleasure. (To jump from boredom to beauty.)

### 2. Discussion

- Art sparks fresh discussion about important topics. ("Asks good questions.") A)
- Art can also be a special form of discussion. (All art, but especially participatory art and social art.) B)

### 3. Wisdom (art as holistic and flexible critical thinking)

- A) and income disparity?"
- B) is good life?

### 4. The cultivation of emotional life

- A)
- B)
- To rehearse and intensify compassion and our other good emotions and tendencies. (Virtue ethics.) C)

Art researches and proposes solutions to concrete problems: "How to help refugees? How to fight poverty, climate change

- Art does the same work as journalism, science, humanities and parliamentary politics — but with partly different means. Art deals with overwhelming, eternal questions: How should I live? Why should I keep on living? How to face mortality? What

- Art is a holistic method for testing, modifying and creating moral and existential values. A close relative of philosophy. - In this mode art deals with questions that are more compositional challenges than clear-cut problems.

Use art to become more aware of what we feel and why. And then to rationally control our emotional life. (= utilitarian value.) Use art to increase the intensity and diversity of our emotional life or experience of existence. (= intrinsic value.)

### **A FEW LINKS TO ONLINE MATERIALS**

health and well-being? A scoping review. <a href="http://www.euro.who.int/en/publications/">http://www.euro.who.int/en/publications/</a> a-scoping-review-2019

The strategic goals of The Artists' Association of Finland for 2019–2023. <u>https://</u> artists.fi/wp-content/uploads/2019/04/STS\_hallitusohjelmatavoitteet\_web\_ENG.pdf

**A Practical Utopia** (Published in RUUKKU – Studies in Artistic Research) https://www.researchcatalogue.net/view/89494/89495 Art and Research Colliding (Published in JAR – Journal for Artistic Research) https://www.researchcatalogue.net/view/49919/49920

I was one of the writers of this vision commissioned by the city of Helsinki: March 2020

www.teemumaki.com

### Daisy Fancourt & Saoirse Finn: What is the evidence on the role of the arts in improving

- abstracts/what-is-the-evidence-on-the-role-of-the-arts-in-improving-health-and-well-being-

- Two peer-reviewed articles of mine on the purpose of art and nature of artistic research:
- Art and Culture in Helsinki 2030, The committee's vision for the city and its citizens,
- https://www.hel.fi/static/liitteet-2019/KuVa/julkaisut/Art-and-Culture-in-Helsinki-2030.pdf

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