## Precarious Working conditions for artists in Northern Ireland: Causes and approaches to solutions

# Research briefing Árainn Sharratt MA Student placement January-April 2024

#### 1. Recent Research

Arts Council of Northern Ireland's most recent commissioned research (November 2023-January-2024) focused on understanding the parameters for the working and living conditions of artists in Northern Ireland. The results suggests that the primary obstacles that Northern Ireland's artists face include extreme financial precarity, schedule conflicts, job uncertainty, and a sense of unworthiness<sup>1</sup>. Survey findings indicate that artists face extreme financial precarity owing to their incomes equalling 40% lower than the Northern Ireland average and 30% lower than the median. Consequently, only 40% of working-age artists regularly contribute to a workplace pension; in contrast, 73% of Northern Ireland's workforce contributed to a pension scheme in 2021<sup>2</sup>. The urgency of the situation is underscored by the fact that, on average, artists' life satisfaction scores is 28% lower than for the population average, and their sense of doing worthwhile things is 16.1% lower. Most strikingly, artists' anxiety levels surpass the Northern Ireland average by 75%, highlighting a critical area of concern regarding their mental well-being. This is particularly alarming considering Northern Ireland's population has the worst mental health statistics in the UK<sup>3</sup>.

#### 2. Annual Funding Survey

Based upon the Annual Funding Survey, we know that organisations in the Annual Funding programme generated more than £16 million in ticket sales throughout

<sup>&</sup>lt;sup>1</sup> ACNI (2024) Working and Living Conditions of Artists in Northern Ireland Draft Report, Belfast: Arts Council of Northern Ireland. Available at: TBC, p. 6.

<sup>&</sup>lt;sup>2</sup> NISRA (2022) ASHE Pensions Results. Available at: <u>ASHE Pensions Results | Northern</u> Ireland Statistics and Research Agency (nisra.gov.uk)

<sup>&</sup>lt;sup>3</sup> Northern Ireland Audit Service (2023) Mental Health Services in Northern Ireland, Belfast: Northern Ireland Audit Service, p. 16. Available at: <u>00293490 - Mental Health</u> <u>Report WEB.pdf (niauditoffice.gov.uk)</u>

2022-23<sup>4</sup>. Results from the General Population Survey (2022-23) reveal that 74% of the population attended the arts in the past year, and 87% of people informed that the arts play a significant role in good health, well-being, and education<sup>5</sup>. Northern Ireland's artists, despite their challenging circumstances, continue to provide multifaceted benefits to society, including education, economic development, entertainment, and peacebuilding. Their contributions are invaluable and deserve our recognition and support. This coincides with 70% of the general population who believe there should be public investment in individual artists.

#### 3. Scope of briefing

In this briefing, we will explore 3 of the main drivers of artist's precarious working & living conditions: *Industry Inequalities, Cost Disease*, and the *Winner-Take-All Effect*. We then describe some international incentives tackling these dynamics, such as the European Union's EU wide framework, Belgium and Spain's legislative reform and the Republic of Ireland's Basic Income Scheme.

### 4. What are the main factors that lead to the substandard living and working conditions artists face?

#### 4.1 Industry Inequalities

Our survey respondents reported that 32% feel the sector needs to be more inclusive. One cause of the socioeconomic conditions of artists is the hierarchical structure of the artistic field<sup>6</sup>. While cultural policy portrays the UK's Cultural Creative industries (CCIs) as open and meritocratic, there is an increasing domination by those from privileged backgrounds<sup>7</sup>. People from working-class origins are significantly underrepresented, contributing to their relative overrepresentation from higher-class social groups, particularly those from professional and managerial backgrounds. Our data supports the literature, showing a 13.2% income gap between those who attended grammar school and those who did not. The 'class origin pay gap' has been coined to explain this

<sup>&</sup>lt;sup>4</sup> ACNI (2023) Annual Funding Survey Findings. <a href="https://artscouncil-ni.s3-assets.com/acni-annual-funding-survey-findings-2022-23.pdf">https://artscouncil-ni.s3-assets.com/acni-annual-funding-survey-findings-2022-23.pdf</a>

<sup>&</sup>lt;sup>5</sup> ACNI (2023). General Population Survey 2022-2023 <a href="https://artscouncil-ni.org/resources/general-population-survey-2022-23">https://artscouncil-ni.org/resources/general-population-survey-2022-23</a>

<sup>&</sup>lt;sup>6</sup> Samdanis, M., Lee, S. (2019). Access Inequalities in the Artistic Labour Market in the UK: A Critical Discourse Analysis of Precariousness, Entrepreneurialism and Voluntarism. European Management Review. <a href="https://onlinelibrary.wiley.com/doi/epdf/10.1111/emre.12154">https://onlinelibrary.wiley.com/doi/epdf/10.1111/emre.12154</a>

<sup>&</sup>lt;sup>7</sup> O'Brien, D., et al. (2020). Culture is bad for you. Manchester University Press.

difference, drawing attention to systemic inequalities in the industry equalling unfair pay between social groups. Hiring practices, working habits, and salary discrimination all contribute to structural inequality, which exacerbates disparities in gender and disability.

Unsocial working hours and geographical flexibility required to work in the industry represent additional constraint to artists. Women particularly struggle to navigate time in line with care commitments<sup>8</sup>. Our survey outlines that the industries working conditions places inequality against women in Northern Ireland. Over half (58%) of survey respondents identify as female. 34% of all artists surveyed identified caring responsibilities as a challenge to their careers. Of those, 67% identify as female, 28% identify as male and 5% as Non-Binary/Prefer not to say/Self-describe. Using the mean average, female artists earn 11.4% less than their male counterparts, higher than the 7.8% gender inequality pay across Northern Ireland's workforce<sup>9</sup>. The academic literature posits that female artists face social inequality barriers to attaining high-earning jobs in the industry due to the 'glass ceiling', limiting women from obtaining jobs further up the hierarchical structure of employment across the sector.

As Eikhof and Warhurst (2013) report about the working conditions in the creative industries: "The importance of networking also disadvantages female workers. Gill (2002) describes how the lack of transparency prevailing in the 'clubby atmosphere' of new media networking fosters discrimination against women. 'Give me a formal hierarchy any day over the fake democracy and pseudo-equality of this work!' said one female respondent (p.83). The informality of social capital obscures the 'old boys networks' that women and other workers from ethnic minority and working class backgrounds find hard to access. 'Employers essentially employ people like themselves [white, male] ... this is not necessarily just by race, but by class and gender', stated a respondent in Thanki and Jefferys (2006-07: 114)."

The hierarchical structure of creative industries disadvantages not only women, but also people with disabilities, and those from less privileged backgrounds through barriers to jobs and lower wages. Networking disproportionately benefits wealthy white males. In effect, over half of artists in our survey considered relocating outside of Northern Ireland for more opportunities. Artists

<sup>8</sup> Eikhof D, Warhurst C (2013) The promised land? Why social inequalities are systemic in the creative industries. Employee Relations, <a href="https://doi.org/10.1108/ER-08-2012-0061">https://doi.org/10.1108/ER-08-2012-0061</a>

<sup>&</sup>lt;sup>9</sup> NISRA (2023). Employee Earnings. <a href="https://www.nisra.gov.uk/news/employee-earnings-northern-ireland-2023">https://www.nisra.gov.uk/news/employee-earnings-northern-ireland-2023</a>

sought higher incomes, networking, and collaborations through relocation. Fifty percent of artists wanted more mentorship and coaching to support their work and lives.

#### 4.2 Winner-take-all Effect

You need only one Taylor Swift and just a few Ryan Goslings for the mainstream market to maximize profits. The arts sector is prone to network-effects: the more someone knows of an artist, the more in demand they are. Once an artist manages to "get in" and become popular, they are more likely to dominate or capture most of the market. The more established artists gain an advantage over the weaker players not only out of talent, but due in part to the networks they are able to form<sup>10</sup>. The artists in our survey understand the value of networking. 41% found that their ability to engage in arts-related networking or events was limited. 58% stated that networking events with industry professionals was a key resource to fully maximise opportunities in the arts. 52% would welcome more mentorship or coaching support.

To test this further, we divided the sample in 4 groups according to their income (Table 1). The first group had the lowest average mean income from their arts activities, increasing to the fourth group with the highest mean income. The first group is composed of 121 artists, or 25.1% of the sample. It represented 1.0% of the total income from arts activities reported by all artists. The fourth group is composed of 24.9% of the artists sampled, but commanded 67.5% of total income from arts activities reported by all artists in the survey.

80% of artists reported struggling due to the lack of funding, high costs of materials and studio space and other financial pressures. 69.5% of the artists in this last group describe themselves as "with a regular and consistent body of work in the arts for more than five years".

The "winner-take-all" effect rewards tend to be biased in favour of the most successful players, as a minimal number of established artists make significant financial gains and become well-known. Consequently, as the consulted literature suggests, a large number of artists on the other side of the industry work in precarious environments to become successful or even break into a world where they are compensated for doing what they love.

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<sup>&</sup>lt;sup>10</sup> Frank, R, Cook, P. (2010). The winner-take-all society. Virgin Books.

Table 1
Distribution of income

Group	Number of	Mean income	% of total
	artists (% of	from the arts. (£)	income from the
	sample)		arts
1	121 (25.1%)	365.70	1.0%
2	121 (25.1%)	2,995.87	7.8%%
3	119 (24.7%)	9,292.02	23.8%
4	120 (24.9%)	26,172.92	67.5%

#### 4.3 Cost Disease

The economic dilemma of 'Cost Disease' describes challenges due to rising expenses, creating a 'productivity lag' <sup>11</sup>. Productivity refers to physical output during work hours. 'Productivity lag' refers to financing pressures on artists. A first sign that artists in Northern Ireland face this cost-disease is that the work they do does not generate enough income to cover the cost of doing business. For instance, 40% of artists could not afford studio space and 58% could not invest in supplies, equipment, or projects to improve output.

Factors that increase productivity include, over time and up to a point, a higher capital/worker ratio. This means new technologies to decrease the cost of doing business or reaching audiences. It also means skills development, stronger management systems, and economies of scale. Productivity increases are most accessible in industries using machinery and equipment. Some sectors can boost output by adding machinery or purchasing new tech. The arts are labour intensive, and will remain so. A quartet needs four musicians, and a play produced 40 years ago is likely to always need a similar number of actors and technical staff. The challenge is then how to best incorporate new technologies, so the intrinsic value of the arts prevails. We asked artists about AI/tech-supporting working conditions. 50% of respondents were concerned about AI art's authenticity and IP issues. Compared to industries like healthcare, architecture, and real estate, AI application in arts is less favourably viewed, though it could improve artists' working conditions.

<sup>&</sup>lt;sup>11</sup> Heilbrun, J. (2003). Baumol's cost disease. A Handbook of Cultural Economics. Edward Elgar Publishing.

<sup>&</sup>lt;sup>12</sup> Latikka, R. et al. (2023). Al as an Artist? A Two-Wave Survey Study on Attitudes Toward Using Artificial Intelligence in Art.

All this does not suggest that artists are not productive. Instead, it highlights structural challenges around the production of arts activities that prevent it from achieving economies of scale. A society that values what arts and artists bring to society should receive sufficient decent wages. According to our survey, Northern Irish artists working over 40 hours/week on arts earned the highest average income, £16,600 or 84% of revenue. Still, £16,600 from 40 hours/week implies £8/hour income, 30% below the National Living Wage. Additional funding is needed to subsidize artists' incomes in line with economic growth so that they can afford supplies and technologies that will assist in equal working and living conditions with other workforces<sup>13</sup>

#### 5. Approaches to solutions

- 5.1 In the European Union, the Committee on Employment & Social Affairs partnered with the Culture & Education Committee to release a joint report in June 2023, urging the creation of an EU-wide framework to guarantee acceptable pay, ethical working conditions, and social security benefits for cultural practitioners<sup>14</sup>. The report calls for updated legislative measures to:
  - Updated legislative measures granting occupational health and safety protection for artists working in precarious conditions,
  - Reforming the EU funding structure to regularise employment protection for artists, particularly those working on intermittent project-based employment, to enable access to social security, and lower the risk of poverty,
  - Addressing the (economically dependent) solo self-employment concerning working conditions, by providing access to social protection and occupational safety and health protection.

These measures should be noted as an approach to improving the working and living conditions of artists in Northern Ireland. Our survey shows that 78% of artists are self-employed or freelancers/independent contractors. 64% of artists

<sup>&</sup>lt;sup>13</sup> Smolny, K., Galecka, M. (2021). The productivity of performing arts organisations and labour costs. Ekonomia i Prawo

<sup>&</sup>lt;sup>14</sup> Committee on Employment and Social Affairs (2023). REPORT with recommendations to the Commission on an EU framework for the social and professional situation of artists and workers in the cultural and creative sectors.

https://www.europarl.europa.eu/doceo/document/A-9-2023-0304 EN.html

do **not** feel fairly compensated for their work, and 78% do **not** have consistent and predictable income from the arts.

Following the report, two European countries began introducing protective measures for artists. Belgium's government introduced the first of their country's reforms, focusing on the pensions of art workers, ensuring access to correct schemes and equal opportunity to future living sustainability<sup>15</sup>. In Spain, the first major legislative reform was passed by President Pedro Sanchez to enact the so-called Statute of the Artist decree<sup>16</sup>. This decree aims to provide unemployment compensation and lower personal income tax rates to assist 70,000 registered artists nationwide. Additionally, it allows artists to keep working after retirement without forfeiting their pension. As highlighted earlier, the proportion of artists contributing to pension plans is much lower than for the whole of Northern Ireland. Therefore, if introduced in Northern Ireland, these European initiatives would provide the foundations for artists to equal their national peers in making pension contributions.

- 5.2 The Arts Council in the Republic of Ireland introduced the Basic Income for the Arts Pilot Scheme (BIA), developed in response to the report Life Worth Living <sup>17</sup>. It introduced a Basic Income scheme for three years granting 2,000 Irish artists and creative workers €325 (£277) per week for three years. The payments began in October 2022, running for three years alongside a control group to quantify the payments' success. In December 2023, the Department of Tourism, Culture, Arts Gaeltacht, Sport and Media published the 6-month initial impact assessment. The two main takeaways from the scheme are that:
  - BIA recipients decreased the weekly time spent working in another sector and spent more time on their artistic practice than the control group. This redirection of time allowed BIA recipients to become more likely than the control group to sustain themselves through artwork alone. Since 26% of our survey respondents stated that very little income comes from the arts, they have to subsidise expenses with other employment.
     Considering all of the above, more funding for the arts would allow a similar scheme to be introduced in Northern Ireland. It would improve

16 Coego, A. (2023). Spain seeks to improve artists' rights across EU but labour reforms at home fall short. Spain seeks to improve artists' rights across EU but labour reforms at home fall short (theartnewspaper.com)

<sup>&</sup>lt;sup>15</sup> See: https://playright.be/en/

<sup>&</sup>lt;sup>17</sup> Feldkircher, N. et al., 2023. Basic income for the arts: Initial impact assessment. https://assets.gov.ie/278306/10ae2240-851a-4411-af8d-064e21c322ca.pdf

- artists living & working conditions by allowing them to invest more time into their art form, generating more money from their practice.
- The Enforced Deprivation Rate declined by 18.5 percentage points for BIA recipients compared to the control group. The added financial security provided assisted in lowering the anxiety and depression levels of artists, ultimately improving their life satisfaction when compared to the control group; however, they are still below national average levels. Our survey outlined that compared to the general population, NI's artists are less likely to experience life satisfaction and more likely to experience day-to-day anxiety; these conditions often correlate with financial uncertainty and debt that artists face. Official estimates suggest that artists in NI earn 23 27% less than the mean salary of the country's workforce. Therefore, a critical factor in the below-average working & living conditions of artists in Northern Ireland, compared to the rest of the population, is that they have significantly lower income and worse mental health due to financial uncertainty and debt.

The basic income for artists (BIA) scheme in Ireland has received mixed reviews. While the artist union Praxis offered suggestions to shift its focus to basic living costs and not productivity. Art critic Chris Hayes criticized the narrow economic focus of the government's agenda, arguing it was introduced not out of care for artist hardship but to research universal basic income. However, Michaële Cutaya, chair of the working group on BIA within Praxis indicated it could help retain artists in Ireland by providing recognition.

#### 6. Conclusion

After conducting industry research with artists to develop our 10-year strategy, a key message was the substandard working & living conditions they face. Therefore, we have begun building knowledge and understanding of their work-life conditions to effectively assess and advocate the impact of funding. Northern Ireland's official estimates suggest that artists earn 23 – 27% less than the mean salary of the country's workforce and 14% lower than the NI median. However, data from our survey released contrastingly different figures, outlining that in fact artist incomes are 40% lower than the Northern Ireland average and 30% lower than the median. Consequently, linked to these substandard salaries are the higher rates of mental health difficulties. The academic literature highlights the *industry inequalities* of the 'class origin pay gap' & 'glass ceiling' employment and equality barriers faced by working-class and female artists. Our survey aligns with this knowledge, providing greater context in the case of Northern Ireland, in that these inequalities are more

profound in the cultural creative industries as opposed to the rest of the population's workforce. The *Winner Takes All Effect* benefits only the top artists, often limiting emerging artists' opportunities to present their work and generate income. This effect takes place in Northern Ireland, considering more established artists generate greater income from the arts than emerging artists. *Baumol's Cost Disease* offers a theoretical perspective into the failure of increasing artist wages in conjunction with overall economic growth. This creates a financial barrier for artists to invest in new equipment and creative space, and limits their practice of producing and selling artwork.

Artists provide significant value to education, community engagement, economic development, health & social, entertainment, tourism and many more. Northern Ireland could learn from learn from good practice in other countries, updating labour policy measures and providing basic income schemes to guarantee a decent income for artists.