



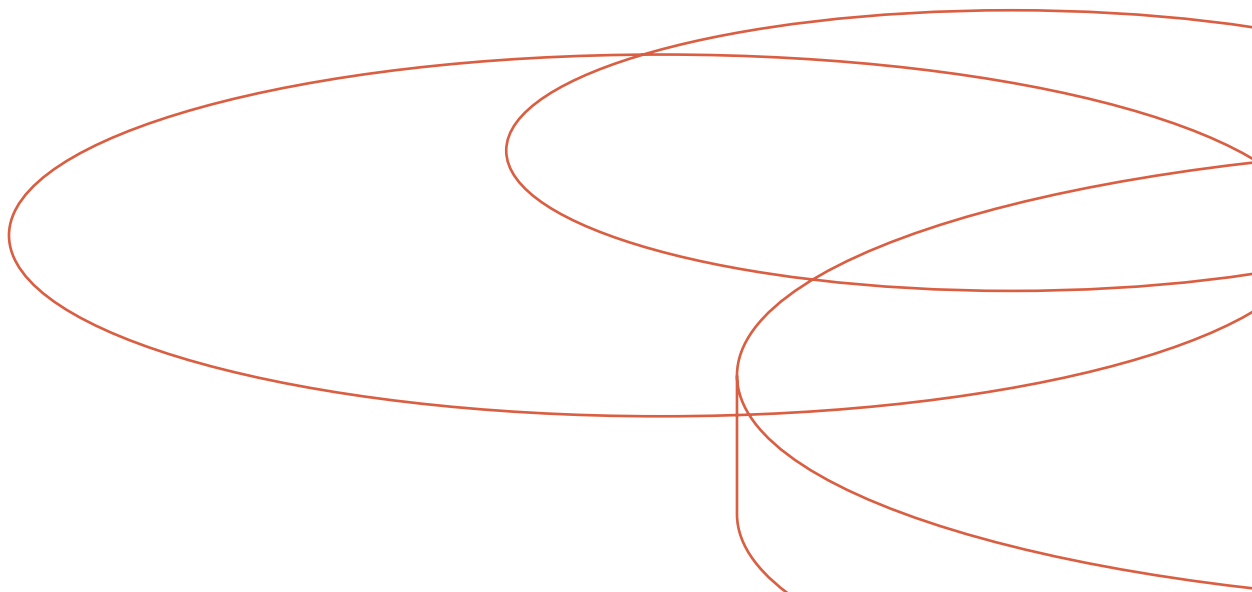
**Bundesverband
Freie Darstellende
Künste**

● Systemcheck

System- FAIR- änderung

Recommendations for Action

Published by Bundesverband
Freie Darstellende Künste e. V.



Introduction

Between the years 2021 and 2023, an interdisciplinary team has researched the social security cover of those working in the performing arts who are solo self-employed (German: solo-selbstständig) or have portfolio careers (German: hybriderwerbstätig), in the context of the research project “Systemcheck” organised by the Bundesverband Freie Darstellende Künste e.V. in partnership with the ensemble-netzwerk, the Institut für interdisziplinäre Arbeitswissenschaft and the Institute for Cultural Governance. The research is based on a mixed-methods approach: Qualitative, quantitative and participative research methods were interlinked. In this way, a comprehensive body of research was created: eleven topic dossiers comprising both scientific contributions and field reports and/or evaluations from stakeholder workshops. In addition, European social security systems for professionals in the arts were examined and a qualitative interview study and a quantitative survey were conducted. “Systemcheck” was funded by the Federal Ministry of Labour and Social Affairs (Bundesministerium für Arbeit und Soziales) following a resolution of the German Bundestag.

This document presents the “Systemcheck” recommendations for action. To ensure that these are derived in a conclusive manner, we first chart the working and living realities of those who are self-employed/have portfolio careers in the performing arts; then summarise the central research results and formulate the resulting goals. The presentation of detailed results and goals as well as further options for action are shown in the final documentation “SystemFAIRänderung”.

How the independent performing arts scene emerged

The emergence of the independent performing arts scene began in the 1960s in West Germany. The impetus for its emergence came from a countermovement to the working methods and conditions in municipal and state theatres. The “breakaways” wanted to work independently, in terms of content, aesthetics, working models: collectively, in flat hierarchical structures and in

changing constellations. At first, the employment status of the stakeholders was primarily solo self-employed. From the mid-1990s, the phenomenon of hybrid employment, known in English as “portfolio working” or having a “portfolio career”, has been expanding and increasing in importance. In the performing arts, an increasing permeability of the previously strictly separate systems “independent scene” and “municipal theatre” is developing. However, it is characteristic of all systems that stakeholders generate their income mainly through public cultural funding. This funding only includes the implementation element of their work, but not the preparation and/or follow-up, e.g. the development of a project idea, acquisition, daily training. These elements are mostly still unpaid.

About solo self-employment and portfolio careers

Many of the stakeholders are active not only in the independent performing arts or in municipal and state theatres, but they combine the employment status “(solo) self-employment” and “dependent employment” both on a simultaneous and serial basis in their employment histories. The following combination forms were determined as typical within the framework of “Systemcheck”:

1. Solo self-employment with only one type of activity in the independent performing arts.
2. Multiple solo self-employment that combines either different artistic activities or artistic and non-artistic activities.
3. Simultaneous portfolio working, e.g. by combining a part-time job with parallel solo self-employment.
4. Serial portfolio working in which short-term dependent or independent employment alternates, e.g. through guest contracts at municipal theatres and solo self-employment in the independent performing arts.

In the context of “Systemcheck”, the four situations described above were investigated. We thereby refer not only to the “independent performing arts”, but “performing arts” in general: By this we mean professionally active people in all four of the above employment statuses.

The “Systemcheck” results primarily refer to the employment situation in the performing arts. However, many of the problems faced by people with portfolio careers or the solo self-employed in this industry also occur outside the performing arts.

The results listed here are from the quantitative study (Tosch, Schmidt, Brandt, 2023) as well as from the qualitative study (Speicher, Haunschild, 2022).



The amount of income is related to the additional funding programmes of NEUSTART KULTUR and other pandemic support funds.



If the so-called standard contribution for self-employed persons subject to compulsory insurance (West Germany) of 611.94 euros per month is paid [over 45 years], it will result in a monthly pension of 1,645.03 euros (Basten et al., 2023, p. 28).

Results

Income

- ▶ The average net income (income from employment as well as transfer payment such as ALG-I (unemployment benefit), Grundsicherung (basic subsistence) etc.) of the respondents in the year 2021 was around 20,500 EUR.
- ▶ Women had around 27.6 percent less income available than men in the year 2021.
- ▶ The low average incomes of the respondents are not compensated for by the additional earnings of their life partners.
- ▶ During their working lives, the average gross annual income from employment is just over 12,000 EUR, which is even lower than the net income of 2021. Here, too, the income situation for women is significantly worse than for men.
- ▶ There are hardly any differences in the income situation between the solo self-employed and those with portfolio careers, even if the latter expect a slightly higher pension. The multiple solo self-employed have even lower income and pension expectations.
- ▶ On average, the share of income from the performing arts is 71 percent.

Retirement planning

- ▶ On average, the subjective pension expectations are around 780 EUR: 674 EUR for women and 913 EUR for men.
- ▶ The monthly pension contributions are significantly lower than the standard contribution for the [“non-artistic”] self-employed who are subject to compulsory insurance.
- ▶ The insurance contributions paid by all respondents indicates that hardly any of them can expect a pension much above the level of basic subsistence (“Grundsicherung”).
- ▶ Respondents from the performing arts are more worried about retirement planning in comparison to the national average of all employees.

Lack of contracts

- ▶ If they do not have enough contracts, threequarters of them would have to use up their own saved capital.

Sickness

- ▶ According to their own information, the solo self-employed and people with portfolio careers were ill for an average of 7.2 days in the year 2021.
- ▶ The solo self-employed worked when they were actually ill on average for 2.3 to 3.3 days. That is around a third of the days when they were ill.

Further insurance policies

- ▶ Around a third have an accident insurance policy with a relatively low monthly contribution, however, of between 13 and 15 EUR.
- ▶ Ca. 17 percent of the (multiple) solo self-employed and people with portfolio careers have an own-occupation disability insurance (Berufsunfähigkeitsversicherung) and 10.7 percent have sick pay insurance (“Krankentagegeldversicherung”).
- ▶ However the monthly amounts paid are much too low to cover adequate continued payment of wages in the event of inability to work.

Employment status

- ▶ Portfolio working (a combination of work as an employee and solo self-employment) applies to 20 percent of those working in the performing arts. During the course of their entire working lives from the age of 18, it is estimated that 75 percent of respondents have had experience with portfolio working.
- ▶ Solo self-employment is the dominate form of employment in the performing arts with a percentage of 70 percent, whereby around a third of respondents carried out several activities on a solo self-employed basis.

Discrimination

- ▶ For people liable to be discriminated against in one or several ways, the financial and social security cover-related problem situations of the existing social insurance systems are intensified.



The “Systemcheck” Recommendations for Action¹

The recommendations for action presented here are derived exclusively from the “Systemcheck” research corpus described above.

Proposals for implementation or financing are not part of the recommendations for action. The concrete elaboration and review of the financial design and feasibility should be the subject of follow-up studies.

The recommendations for action are directed at policymakers and those working in administrative roles for the federal government, the federal states and municipalities. But they also serve as a policy paper for stakeholders and their representative structures for further political work to improve the social situation.

Research shows that there is an urgent need for action. The scope of the recommendations for action extends beyond the current legislative period.

The recommendations for action are structured around seven core topics identified from the research. Implementing these recommendations for action will contribute specifically, but especially in a general sense, to fairer social security cover for solo self-employed and hybrid workers in the performing arts and beyond. They are formulated in the spirit of the fundamental rights enshrined in the German Basic Law, e.g. freedom of art, free development, equality.

Main starting points

The structural cause of the precarious social situation of the stakeholders examined is their very low income. Inflexible or non-tailor-made social security systems make gap-free insurance (“continuous insurance cover”) impossible. Especially in serial portfolio working, where stakeholders regularly switch back and forth between self-employment and dependent employment, many burdensome bureaucratic hurdles and social security gaps arise. Managing them is the responsibility of the individual and is not in proportion to the expected insurance benefits.

¹ The implementation of the research, the conclusions from the research and in particular the recommendations for action were made independently by the project partners. They do not reflect the position of the Federal Ministry of Labour and Social Affairs. In particular, the Ministry does not guarantee the correctness, accuracy and completeness of the research.

The overarching goals of the recommendations for action formulated here are therefore higher income and the provision of continuous insurance in all necessary social insurances. Since the income of the majority of the stakeholders comes from public funding, the legislative bodies have a great responsibility.

There is a particularly urgent need for action in the area of retirement planning: Long-term employment histories in the performing arts currently often end in old-age poverty.

Despite the UN Convention on the Rights of Persons with Disabilities and the General Equal Opportunities Act, there are still numerous barriers that make access to social security systems and funding programmes difficult or impossible. The following recommendations for action are therefore also linked to the goal of removing these barriers in order to enable barrier-free and discrimination-free access to insurance and grants. This includes information material, grant applications and the training of both stakeholders as well as employers and employees in authorities regarding anti-discrimination.

Training and qualification are also urgently needed in terms of understanding and knowledge about the work realities and rights of the solo self-employed and people with portfolio careers: on the part of insurance providers and authorities, legislators and on the part of the stakeholders themselves.

Raising incomes

The incomes of the solo self-employed and people with portfolio careers in the performing arts must be significantly increased. The increase must also include remuneration in the case of illness, take into account all phases of work (pre- and post-project work and maintenance of artistic skills), and support employment relationships. An adequate income is the basis for adequate social security cover, especially in old age.



1. **Comprehensively improve the income situation**

We recommend that the cultural administrations of the federal government, federal states and local governments adapt the procurement rules for cultural funding in such a way that binding social standards and transparent remuneration criteria based on the TVöD are a prerequisite for funding for employees in funded organisations, institutions and projects.



Expand the Künstlersozialkasse

In the performing arts, the distinction between artistic and non-artistic activities is fluid. In addition, portfolio working is part of the reality of gainful employment in the performing arts, which leads to structural discrimination in social insurance systems for the stakeholders. In order to achieve gap-free social security cover for the solo self-employed and people with portfolio careers in the performing arts in equal measure, this working reality must also be recognised in the KSVG (law regarding social insurance cover for artists).



2. Expand the range of persons to whom the KSVG applies

We recommend that the legislators amend the Künstlersozialversicherungsgesetz (KSVG) to extend the range of persons to whom the Künstlersozialkasse (KSK) applies to those with creative-organisational, creative-technical and artistic-mediating activities in the performing arts and to credit all remuneration from these activities.



3. Recognise people with portfolio careers in the KSVG

We recommend that the legislators amend the KSVG so that all those with portfolio careers are insured in the KSK whenever they are not in dependent employment – independent of the duration of the employment and the amount of their income from dependent employment.



Avert old-age poverty

For many of the solo self-employed and people with portfolio careers in the performing arts, increased and steady incomes will still arrive too late to achieve an adequate pension. The work of people who have spent their whole working lives in the performing arts must be recognised.



4. Set up a hardship fund to combat old-age poverty

We recommend to the legislators the establishment of a “hardship fund” to alleviate poverty in old age in the performing arts.

Introduce an occupational pension scheme

For the solo self-employed and people with portfolio careers, there has so far been no functioning pension scheme (“Versorgungskammer”) for additional protection in old age, in the event of disability and in the event of death, as was set up for employees in many areas in art and culture. A pension scheme is needed that is geared to the specifics of the solo self-employed and those with portfolio careers in the performing arts.



5. Establish a pension scheme

We recommend that the legislators establish a new pension scheme as a voluntary insurance within the KSK.

Safeguard against unemployment

The solo self-employed and those with portfolio careers in the performing arts must be able to receive a form of social insurance cover in the event of phases of unemployment through no fault of their own, that allows them to continue to work in the performing arts.



6. Adjustment of access to voluntary unemployment insurance

We recommend that legislators approve an adjustment of the access requirements to voluntary unemployment insurance for solo self-employed persons who have never worked in a job liable for compulsory social security contributions, without a registration deadline and allow repeated receipt of unemployment benefits.



7. Continuous insurance for those with portfolio careers

We recommend that legislators ensure that voluntary unemployment insurance and compulsory contributions from unemployment insurance are added up in the case of portfolio working.



8. Protection against atypical loss of income²

We recommend the legislators to establish insurance cover for atypical loss of income as an independent, mandatory pillar in the social insurance cover of artists. The payment of benefits should be equivalent to the provisions of the short-time working allowance.



2 An atypical loss of income occurs, for example, when there is temporarily no possibility of the economic exploitation of art, such as during the corona pandemic, when no performances could take place. This situation is comparable to that of employees in short-time work. Atypical income losses differ from typical ones, for example, when no bills are paid in a month. (State Parliament of North Rhine-Westphalia, 2023, p. 19 f.)



Include statutory accident insurance in the KSK

Many of the solo self-employed and people with portfolio careers lack adequate protection in the statutory accident insurance and thus adequate protection in the event of an accident with regard to prevention, rehabilitation and compensation. There needs to be a secure regulation for this risk, which they cannot bear on their own.



9. Support before, during and after accidents

We recommend that the legislators introduce compulsory insurance in the statutory accident insurance for all who are compulsorily insured in the KSK.



Protecting pregnant women and parents/guardians

The current regulations for the protection of pregnant women (“maternity protection”/ “Mutterschutz”) and the support for parents/guardians (“parental allowance”/“Elterngeld”) are not sufficient for the working realities of the solo self-employed and those with portfolio careers working in the performing arts. Paid maternity leave must be a standard benefit for all pregnant women and the assessment period for parental allowance must be extended to determine income.



10. Assessment period for parental allowance

We recommend that the legislators give recipients of parental allowance a free choice among the following options: For the calculation of the assessment period, either the last completed calendar year before the birth of the child or, alternatively, the last completed calendar year before the onset of pregnancy applies.



11. Guaranteed support for pregnant women

We recommend that the legislators integrate the benefits for pregnant women six weeks before and eight to twelve weeks after the birth (maternity pay/“Mutterschaftsgeld”) into the state insurance system as a standard benefit without extra insurance contributions. The benefit should amount to 100 percent of the income of the previous year for 14 weeks.

The following options for action have also been identified:

Allow childcare costs to be eligible for grants.

The solo self-employed and those with portfolio careers in the performing arts often do not profit from state childcare services because it is not attuned to their working hours. Additional costs that are accrued in order to be able to carry out an activity in the performing arts, should not have to be paid privately by the stakeholders themselves.



12. Facility the compatibility of family life and work

We recommend that the legislators make all costs for childcare (e.g. babysitting, arrival and accommodation for caregivers during the working period and guest performance trips) eligible for grants and laid down in public procurement law.

Remove barriers

Despite the UN Convention on the Rights of Persons with Disabilities and the General Equal Opportunities Act, there are still numerous barriers that make access to social security systems and funding programmes difficult or impossible. Barrier-free and discrimination-free access must be implemented for all the solo self-employed and people with portfolio careers in the performing arts.



13. Barrier-free and discrimination-free information and advice

We recommend that social insurance providers and authorities provide information and advice for the conclusion of all voluntary and statutory insurance policies and for a legally watertight working status without barriers and discrimination. This includes: the availability of information in English as well as German, in simple language and in German sign language; the guarantee of gender-sensitive language and the corresponding regular training of employers and employees.



14. Barrier-free opportunities to submit applications

We recommend that the cultural administrations of the federal government, federal states and local governments offer alternative application options for all funding programmes. It should thereby be possible to submit applications not only in the written form and barriers to access should be reduced. A paid expert committee should be set up to develop further alternative barrier-free and non-discriminatory application options.





15. Non-discriminatory algorithms

We recommend that social insurance providers and authorities check the algorithms of their software systems for discrimination.

Expand qualification opportunities

In order to be able to consistently implement access requirements for the solo self-employed and those with portfolio careers in the performing arts, qualification is required on the part of insurance providers and authorities, legislators and the stakeholders themselves. Only if there is an understanding and knowledge about the working realities and rights of the solo self-employed and those with portfolio careers in the performing arts can improvements be initiated and implemented.



16. Qualification of insurance providers and authorities

We recommend that insurance providers and authorities expand the mandatory qualification of personnel with regard to the employment histories of the solo self-employed and those with portfolio careers and discrimination dimensions.



17. Qualification of stakeholders

We recommend that the legislators develop further information offers on sector-specific social, labour and tax law issues in German, English, in simple language and German sign language and have them handed out to workers at the start of employment.



18. Further education and transition for stakeholders

We recommend that legislators expand support programmes for the solo self-employed and those with portfolio careers for career-specific and cross-professional qualification, for further training within a current job and for the transition to other jobs and professions.

Bibliography

Basten, Lisa; Fachinger, Uwe; Fenner, Sören; Happich, Anica; Kiehne, Laura; Kuner, Ulrike. (2023). Wer kümmert sich? Soziale Absicherungsoptionen und -hürden für hybrid arbeitende Künstler*innen. ("Who cares? Options and hurdles to social security for artists who have portfolio careers"). Berlin: Bundesverband Freie Darstellende Künste e.V.

State Parliament of North Rhine-Westphalia (2023). 19th meeting (public) of the committee for culture and media on 14th September 2023. 2nd presentation of the report by Prof. Dr Daniel Ulber on possible approaches to securing gaps in the employment history of self-employed artists. Bill 18/1560. Düsseldorf: Ministerium für Kultur und Wissenschaft des Landes Nordrhein-Westfalen, <https://www.landtag.nrw.de/portal/WWW/dokumentenarchiv/Dokument/MMV18-1560.pdf> (accessed on 11.09.2023).

Speicher, Hannah; Haunschild, Axel. (2022). Im Freien Fall. Beschäftigungsformen, soziale Sicherungen, Selbstverständnisse und Bewältigungsstrategien in den freien darstellenden Künsten. ("In freefall. Forms of employment, social security cover, self-conceptions and coping strategies in the independent performing arts"). Berlin: Bundesverband Freie Darstellende Künste e.V.

Tobsch, Verena; Schmidt, Tanja; Brandt, Claudia. (2023). Unterm Durchschnitt. Erwerbssituation und soziale Absicherung in den darstellenden Künsten. ("Below average. Earnings situation and social security cover in the performing arts"). Berlin: Bundesverband Freie Darstellende Künste e.V.

Imprint

Publisher

Bundesverband Freie Darstellende Künste e.V.
Dudenstraße 10
10965 Berlin
www.darstellende-kuenste.de

Committee

Nina de la Chevallerie, Anne-Cathrin Lessel,
Matthias Schulze-Kraft, Ulrike Seybold, Tom Wolter

Executive directors

Helge-Björn Meyer, Sandra Soltau, Anna Steinkamp

Recommendations for Action for the Project "Systemcheck"

Recommendations for Action, editorial team

Bundesverband Freie Darstellende Künste: Cilgia Gadola
ensemble-netzwerk: Sören Fenner, Anica Happich,
Laura Kiehne

Institute for Cultural Governance: Janet Merkel

Institut für interdisziplinäre Arbeitswissenschaft:
Hannah Speicher

Editorial team

Cilgia Gadola, Axel Haunschild, Elisabeth Roos,
Hannah Speicher, Anna Steinkamp

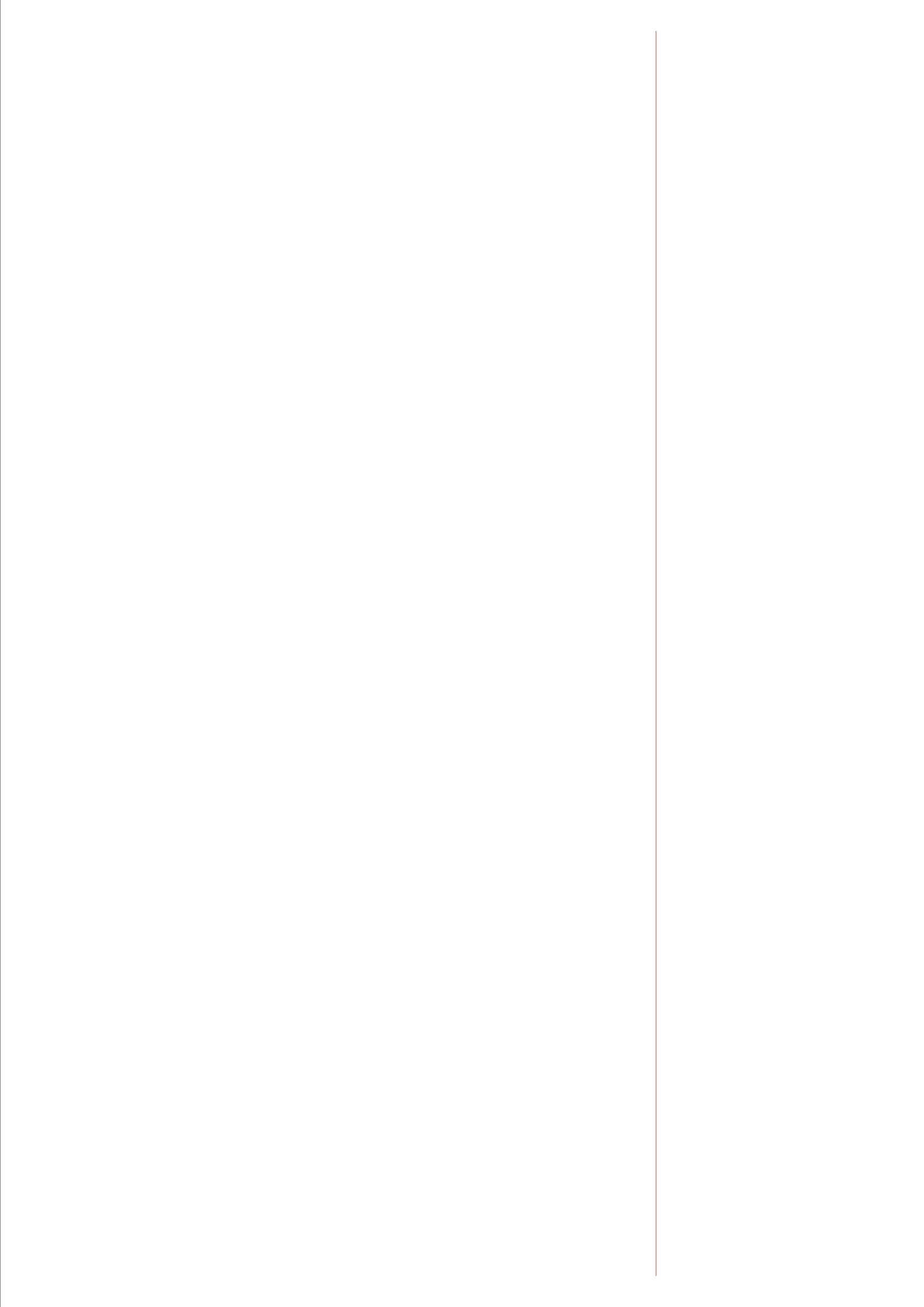
Design

Panatom

Translated from German by

tolingo GmbH

Notes



● Systemcheck

is a project from



**Bundesverband
Freie Darstellende
Künste**

in cooperation with



WA Institut für
interdisziplinäre
Arbeitswissenschaft



iCG Institute for
Cultural
Governance

Gefördert durch:



aufgrund eines Beschlusses
des Deutschen Bundestages

The implementation of the research, the conclusions from the research and in particular the recommendations for action were made independently by the project partners. They do not reflect the position of the Federal Ministry of Labour and Social Affairs. In particular, the Ministry does not guarantee the correctness, accuracy and completeness of the research.