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Introduction

If the UK is to maintain its international position in music and the creative arts it must sustain and nurture the creative talent that underpins its success.

The achievements of the UK music industry are in large part due to the huge body of highly qualified, trained and experienced musicians working across genres in different sectors. Musicians work in a number of social, health and educational environments as teachers, therapists and community musicians in addition to their more traditional working roles as performers, recording artists, composers and writers, often combining many of these roles into one portfolio career.

The size and breadth of the UK music sector is unparalleled in Europe. However, behind this successful and visible veneer, musicians in the UK are working in many less glamorous roles often with precarious 'portfolio' careers marked by low income and uncertainty. Thousands of musicians lack the kind of workplace benefits more commonplace in other sectors of the labour market such as holiday pay, pensions and other rights that come with regular employment.

Working lives marked by low earnings potential, uncertainty and a tax and benefit system that is ill equipped to cater for musicians, is not an ideal environment in which to support UK creative talent.

The Working Musician aims to provide a sound evidence base for policy makers, musicians, their representatives and the wider music industry in order to help shape an environment where the contributions and talent of a greater number of musicians are better recognised, sustained and rewarded. In this way, the UK can maintain and build on its major cultural standing in the world.

The Working Musician research is based on almost 2,000 responses to a UK-wide survey, in-depth interviews with musicians and industry experts and data from a wide range of industry sources. The research, for the first time, assesses and explains the pay musicians receive, how they derive their income, and the pressures and challenges they face to earn a living from their craft.

This paper sets out the key findings from **The Working Musician** research.

Key Findings

Musicians are experienced, qualified and multi-skilled. Only one in five of those surveyed had less than five years experience. Two thirds of musicians (65%) undertake four years or more of formal education and training with 40% holding a degree in music.

There is no such thing as a typical musician. The blend of roles, patterns of paid and creative work, employment status and working hours vary across musicians and across different periods in their careers. Developing a portfolio career, made up of a number of different jobs, is a necessary characteristic of many musicians' careers; this invariably involves developing non-music skills such as business, marketing, teaching and community engagement.

Pension provision is poor compared to other professionals, employees, and even other self-employed workers in the wider labour market. One in five employees (22%) and one in three self-employed workers (29%) in the wider labour market have no independent pension provision; this rises to 65% for musicians.

Musicians encounter a tax and benefit regime that is confusing, complex and is not well designed to cater for their unique working patterns. Designing a more flexible and artist-friendly tax and benefit regime would provide much needed support for working musicians.

Over half
(56%)
of the musicians surveyed earn less than
£20k

Of the musicians who receive them, over half indicated that royalty payments are an important additional income stream; protecting and regulating this income source is incredibly important to sustain musicians in their careers, particularly given the wider context of low income and poor pension provision.

60%
of musicians report working for
free
in the past 12 months

Earnings for musicians are low. Income levels compare unfavourably to other professionals who've invested similar amounts of time and money into education and training. Over half (56%) of the musicians surveyed earn less than £20k and 60% of musicians report working for free in the past 12 months.

Only 35%
of musicians pay into a pension scheme



The UK's creative industries, and particularly music, were celebrated at this year's London Olympics and Paralympics. This illustrates the high regard in which UK music and musicians are held, both domestically and on a global stage.

The importance of music to the UK's standing in the world is backed up by current industry facts.¹

The UK is the second largest source of repertoire in the world and represents the third largest music market accounting for approximately 10% of global sales in 2009, in large part due to UK consumers buying more music per capita than anywhere else in the world.

From 2007-2009 the biggest global selling albums came from UK acts (Amy Winehouse, Coldplay, Susan Boyle), and in 2011 UK acts accounted for over half of all UK album sales, with 56 of the top 100 artist albums and 43% of singles sales from British artists. The value of UK music exports exceeds £17 billion every year² and only the UK, Sweden and the US are net exporters of music.³

This high profile part of the UK music industry often steals the public's attention but there are other sides to music in the UK that are equally inspiring and which contribute to our economic, cultural and musical environment in valuable ways.

British orchestras are world leaders. Their musicians are among the best players in the world today. They are pioneering new music and new approaches to live performances, developing innovative education programmes and reaching more people in more areas than ever before, and their impact continues to grow. In 2011, British orchestras played to over 4.18 million people in the UK; toured in 39 different countries performing 457 concerts; and generated a total income of almost £150m.⁴

The UK, and London in particular, is one of the premier theatre centres in the world, with musicians playing an important role in making theatre a huge tourist attraction for the UK. In 2011-2012 the annual London musical theatre and classical ticket sales to overseas tourists was estimated to be £67m.

Live music in the UK is very healthy too, driven in part by the proliferation of successful music festivals where at least 7.7 million visits to live music events in 2009 resulted in £1.4bn being spent, equivalent to a positive contribution to the economy of £864m.⁵ And a recent relaxation of licensing laws allows for smaller premises to stage music performances without the need for special licences adding momentum to an already thriving live music scene.

On the surface the UK music sector is a real success story stretching across different sectors and genres. This report now turns its attention to those everyday, grassroots musicians who underpin the industry's achievements; the giggers, the musicians in the pit, the teachers, the session players, the music arrangers, and all those other musicians who are at the coalface. What are their experiences of this highly profitable UK industry?





This section runs through the main findings from The Working Musician survey conducted in August, September and October 2012, engaging nearly 2000 working musicians. It supplements the findings with insights from a cross-section of musicians.

Before setting out how much musicians earn and from where their income derives, it is important to build a picture of a musician's career journey. The opening sections explore levels of experience, education and training, skills and working patterns before reporting on musicians' income and pensions.

Such context is vital if meaningful comparisons are to be made between the earnings and working environments of musicians and others types of workers in the UK labour market.

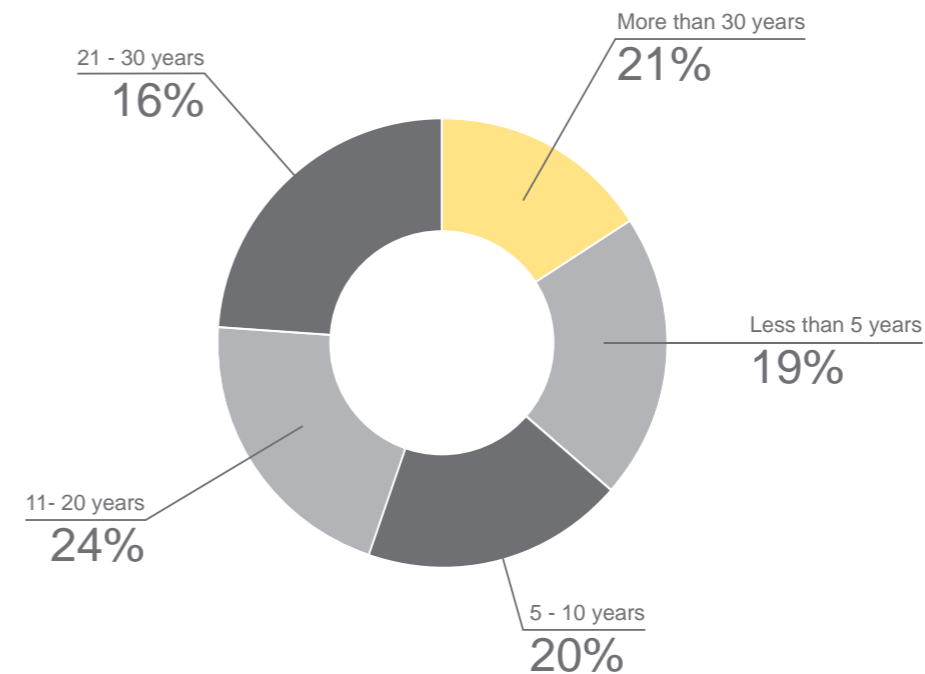
I have a degree in English and Music from Birmingham. Before that I went to the Guildhall...I went and did a teaching certificate in English. I switched back to music only about 12 years ago... I trained as a music therapist in 2005.

(Interview, musician)

Professional musicians are experienced and highly qualified

Working musicians are an exceptionally established set of professionals with the vast majority (81%) having five years or more experience. Nearly two thirds (61%) have been working as musicians for ten years or more and one in five (21%) have over 30 years of working experience as a professional musician.

Fig.1: How many years have you been a professional musician in the UK?



Prior to starting out as professional musicians nearly two thirds (65%) had undertaken four years or more of formal education and training, with half of these indicating that they had completed over seven years of formal education and training. A substantial number (61%) of musicians studied at a dedicated music college, university or conservatoire with 40% holding a degree in music.

Fig.2: Did you attend a music college / university or conservatoire?

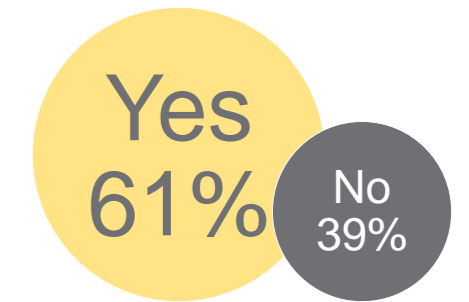
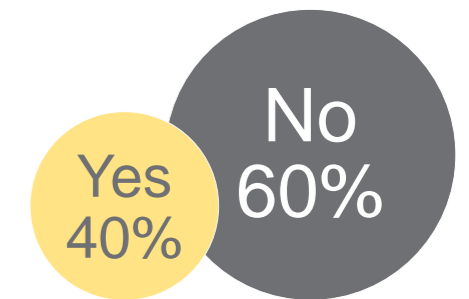


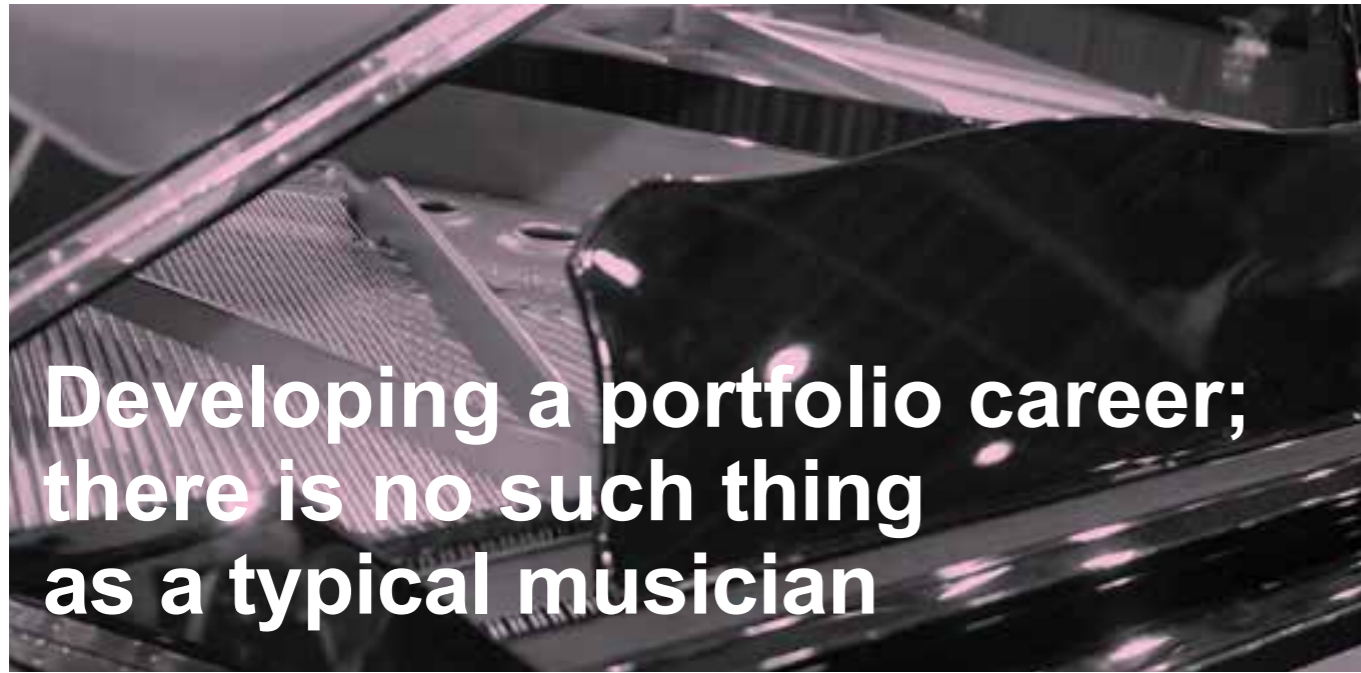
Fig.3: Do you have a degree in music?



Developing instrumental skill levels is essential for working musicians wanting to stay at the top of their profession and this requires practice. Over half (55%) practise their instrument for over 5 hours per week and 37% practise up to 5 hours per week. Practice hours for musicians are an essential component of their working week, almost always additional to paid work and unrecognised by the tax and benefit system as 'working hours'.

This represents a massive investment of time and resources in education, training and practice by musicians learning their craft, an investment comparable to professional workers such as teachers, doctors, lawyers and highly skilled craftspeople.

A key point to make at this stage is that we surveyed a highly skilled and trained body of workers who consider themselves, primarily, as professional musicians.

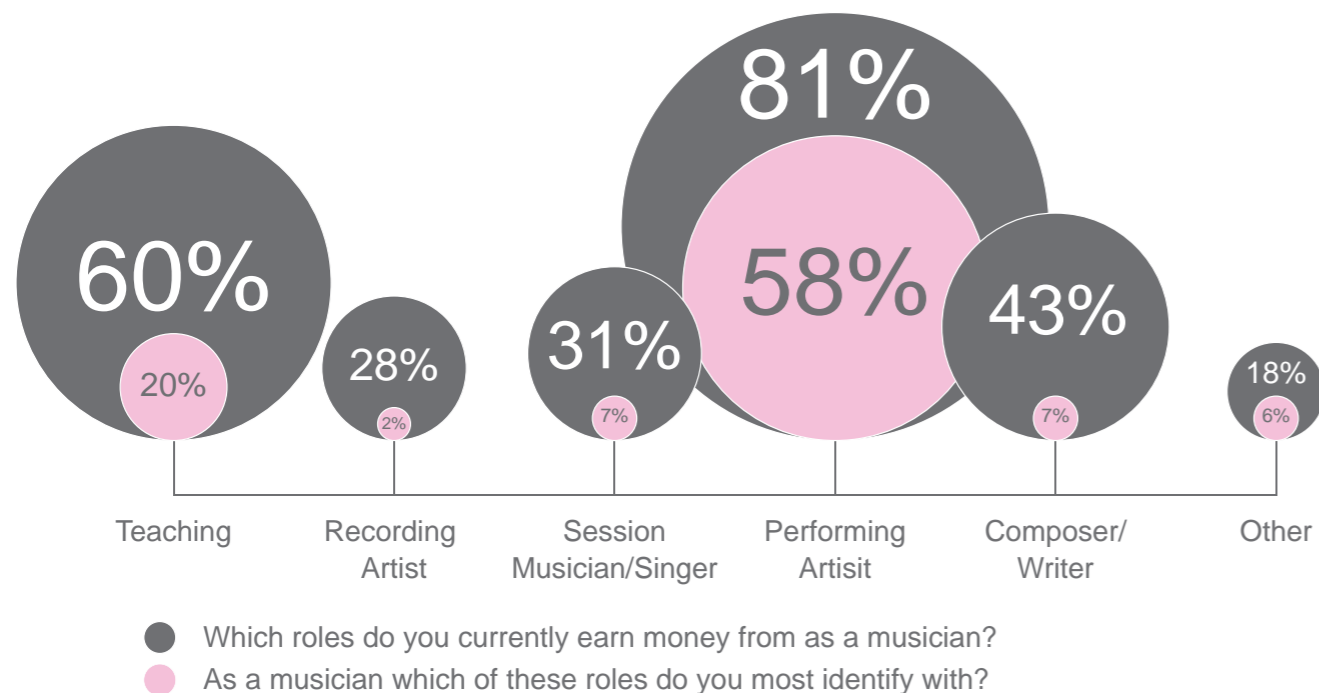


One generalisation that can be made with confidence is that working musicians invariably fashion a 'portfolio career' employing a varied skill set to earn a decent level of income. A portfolio career is made up of different jobs pursued either successively or simultaneously; in most cases these different jobs are combined into a patchwork of roles.

Musicians need to develop skills to sustain their portfolio careers beyond those associated with being a musician such as, business, marketing, teaching and community engagement skills. Above all they need to be adaptable.

We asked musicians to single out ONE role they most identified with. The responses here demonstrate the principal role musicians are working in.

Fig.4: Which roles do you currently most identify with / earn money from?



When the musicians were asked to identify ALL of their income sources, the picture then changes and the breadth of roles musicians undertake in their portfolio careers becomes clearer; 28% are recording artists, 31% are session players and 43% compose or write music and lyrics. This demonstrates the variety of different ways working musicians extend their work beyond their core focus.

Musicians identify working in a number of additional roles. These include music arranger, producer, bandleader, fixer, community musician/mentor, conducting community choirs, 'singing for health' groups, musical director, music therapist, author of books on music, music typesetting and editing, academic research and music copyist. This range of roles indicates that musicians are often working in ways that use their music skills to produce social, health and academic outcomes.

In addition, musicians are employing entrepreneurial skills with two thirds (64%) using web-based technologies to produce, promote and distribute their music. The examples cited above provide a taste of the breadth of skills required to sustain a portfolio career in music.

We've had to constantly adapt to find ways of making it work...I'd always expect to work hard, but one change is probably the onus on the artist to organise or take over roles in production, artwork, videos....

(Interview, musician)

My income comes from sessions, where I work for a variety of fixers doing films and TV. I also do a lot of chamber music; I'm in a quartet, so I do quartet chamber concerts. I work for various different chamber groups doing that sort of thing...I also do my own projects editing scores.

(Interview, musician)

Tax, benefits and financial services are ill equipped to support creative workers in the UK



The complex patchwork of roles that make up a musician's portfolio career can bring with it many challenges. The uncertain, episodic and unusual patterns of work can have negative knock-on implications. Musicians are facing real difficulties in their interaction with the tax and benefit system and the financial services industry that are both largely designed for workers with steady and regular work and income streams.

Entrepreneurship in music is seen as inherently risky by the financial service industry and this is reflected in the availability and cost of business loans for creative industry enterprises. UK Music has highlighted the 'insurmountable difficulties' the music sector has faced trying to access even Government backed finance initiatives.⁶ The one-year pilot Creative Industry Finance Initiative (Arts Council England) implicitly reflects this and offers access to limited finance for creative entrepreneurs.

Musicians have also spoken to us of the difficulties of accessing mortgages and the extra costs incurred on these and other financial products such as insurance. For small companies or sole traders with low earnings these extra costs are significant.

Issues around tax and benefits that surfaced in the research centre on three key criticisms. Firstly, the rules and guidelines for musicians regarding their employment status and legitimate business costs are uncertain and complex. Secondly, the complexity and uncertainty mean the administrative burden of completing tax administration is very time consuming. Finally, the tax and benefit system is not sophisticated enough to recognise the unique career paths of creative workers.

The tax system in this country is oppressive, and it's oppressive for everybody... as a musician, either way you do it, it's unfair... Yes it's really stressful, and especially if you have to do things like tax credits as well, which is based on your predicted year's income. As a freelancer that's a nightmare.

(Interview, musician)

The creative process is marked by fallow and fertile periods that are hard for the tax and benefit system to assess properly if the time period for assessment is a single month or year. The result is that in fallow periods, when working time is spent creating, musicians are not credited with National Insurance contributions that count towards their pension or other welfare benefits. In fertile periods, when musicians reap the rewards in the form of one-off or episodic royalty payments, assessments of taxable income can be distorted and inequitable.

Musicians encounter a tax and benefit regime that is confusing, complex and is not well designed to cater for their unique working patterns. Designing a more flexible and artist-friendly tax and benefit regime will help provide a much needed support to working musicians.



The new system (Universal Credit) does not appear to take into account the creative process and the fact that a period without any earnings is usual and necessary if there is to be any monetary reward at all. It would mean that only those with private means or rich parents or generous sponsors can pursue careers in music or indeed any of the Arts.

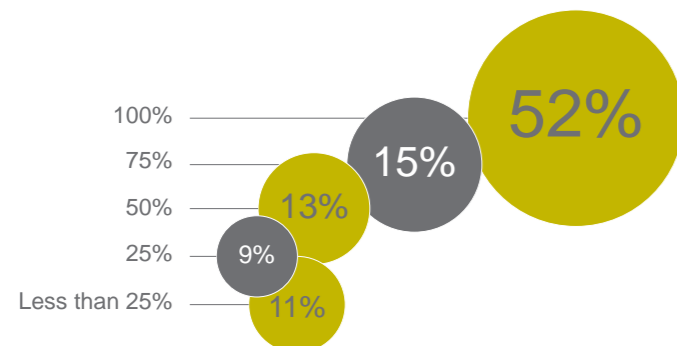
(Interview, musician)



A musician's precise working hours per week are dependent on different factors and can vary from week to week, season to season or year to year.

Teaching, theatre and orchestral work, for example, can provide steady regular work, sometimes even secure salaried employment status. These are exceptions to the norm; only 10% of musicians are full-time salaried employees. Half of musicians have no regular employment whatsoever. The vast majority of musicians (94%) work freelance for all or part of their income.

Fig. 5: On average, what percentage of your working week is spent as a musician?



Just over half (59%) are working full-time with 52% spending all (100%) of their working time as musicians. Only one in five are working less than 50% of their working week as musicians. For a sizeable minority of working musicians earning money outside the music industry is necessary to maintain an income. A third of the musicians surveyed (34%) worked additional jobs not connected in any way to their music careers.

A Musicians' Union survey of orchestral players, reported in the Guardian (2006), highlights the variety of different jobs that this highly specialised group of musicians take on to supplement their salaries.

Work undertaken by orchestra players to supplement their pay packets includes aromatherapy, odd jobbing, taxi driving, childcare and cleaning. These are highly trained professionals at the very top of their field. When was the last time your solicitor popped over to scrub the kitchen floor??

Among the part-time musicians, over half indicated that they would like to be full-time. The barriers to securing sufficient opportunities for work will be even more magnified for musicians who lack the experience and longevity in the industry that most of our respondents have. Musicians interviewed for this research identified the uncertainty associated with the continual need to find work and the lack of potential (paid) opportunities.

Musicians with children or dependents face additional financial barriers to working. Musicians earning low fees report that their fee barely covers the cost of childcare; after travel, tax and childcare there is little financial gain/incentive to work at all.

... but I would say the biggest flaw is that you cannot claim for childcare... my wife is a musician too, but because of the low fees she's had to give up... a babysitter will cost you £80 for the day, and you'll earn a £100, so after tax, NI and travel you haven't earned anything, you've actually paid to go to work.

(Interview, musician)

Fig. 6: Do you have another job in addition to being a musician (outside of music)?

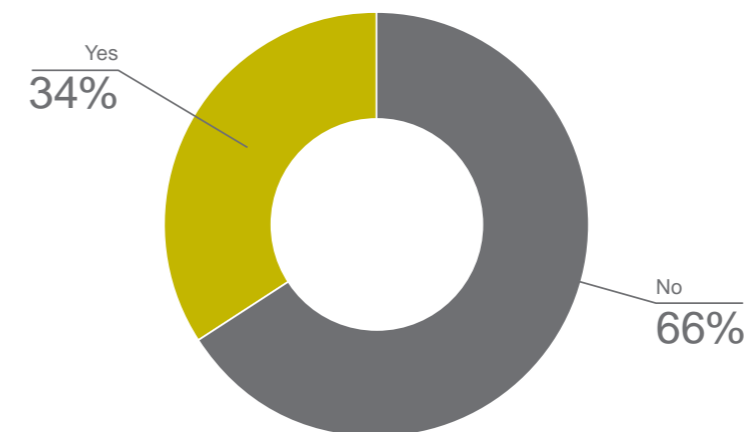
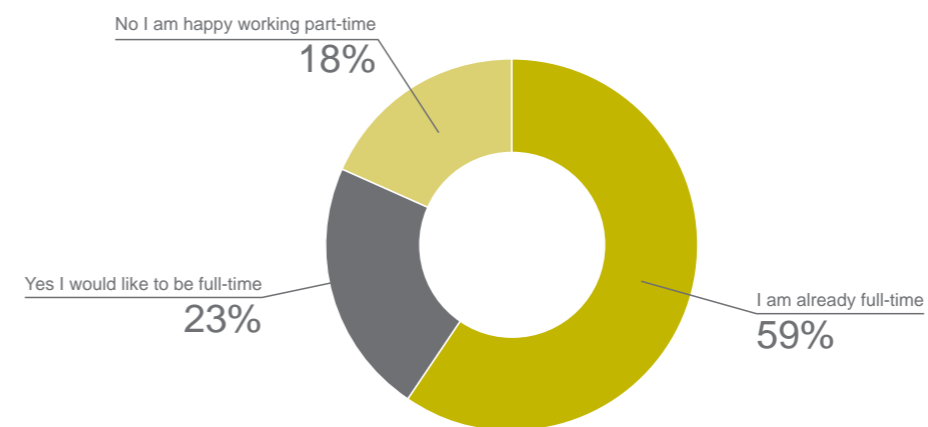


Fig. 7: If you are NOT a full-time musician – would you like to be full-time?



I think it's very difficult and it's getting more difficult. I mean lots of people are doing sidelines. I do too. I'll be lucky if I work 15 days a month now and you just can't really survive like that.

(Interview, musician)

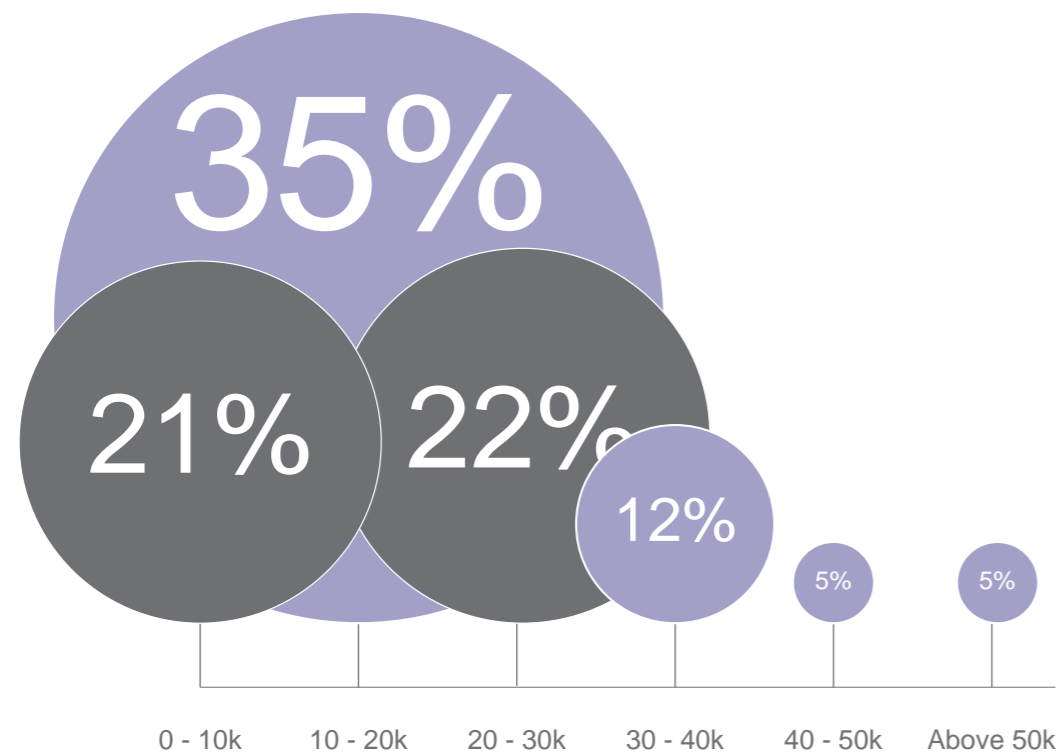


Working musicians do not attain earnings comparable to other professional groups in the UK

Given the training, high skill levels and experience of the musicians we have profiled, the findings on how much a musician earns are remarkable.

Over half of all musicians (56%) are earning less than £20k per annum with one in five earning less than £10k from working as a musician. A staggering 78% of musicians are earning a gross annual income of less than £30k.

Fig.8: What is your approximate gross annual income?



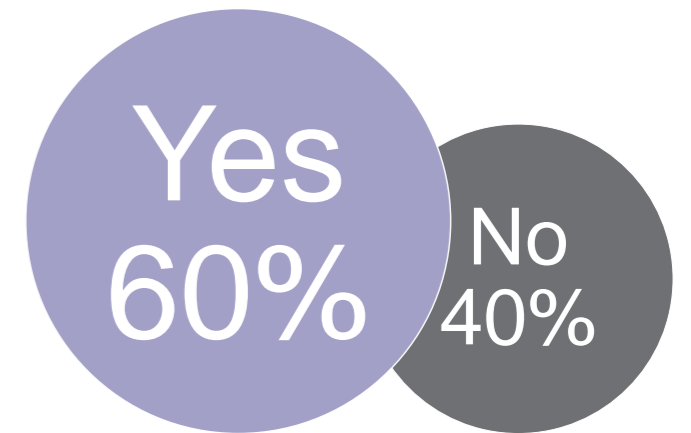
For the one in three musicians (35%) earning between £10k and £20k, 38% are part-time, 42% have a degree and 58% have more than 10 years experience. To reiterate, these income levels are for experienced, full-time, qualified professionals.

An important issue for musicians is that they are not generally entitled to progression along a pay spine like many other professionals even when they have the more secure jobs in music. This results in earnings that are too static over time coupled with costs such as travel, food, and childcare rising year on year. Earnings and career progression compare unfavourably with other professions in the UK - even professions, such as teaching, that are not widely regarded as highly paid.

A teacher's starting salary, in the UK, ranges from £21k (England & Wales) to £27k (inner London). This starting salary is already better than the current income of 56% of musicians surveyed here. After six years of satisfactory performance, a teacher's salary rises to the top of this pay scale, £31k (England & Wales) to £36k (inner London); this salary is greater than the income achieved by 78% of musicians here. As careers progress the gap widens even further.

To make matters worse, there is a common expectation from those engaging musicians, including public agencies, that musicians can work for free or below agreed rates of pay. This is an occupational hazard that compounds their low earning potential. Sixty per cent (60%) of musicians report undertaking unpaid work in the past year and a sizeable minority report regularly working for below the agreed industry rates.

Fig. 9: Thinking about the past 12 months, have you undertaken UNPAID work as a means to further your career?



Working musicians face a precarious and competitive labour market characterised by a huge diversity of organisations that commission or engage musicians often for very short engagements. In this context, individual musicians often take on free or under-paid work in the hope that it will lead to paid work and better future work prospects.

Too many working musicians will face retirement with little or no independent pension provision

Musicians' low earnings make saving for a pension extremely difficult. The variability of their work compounds this. For many musicians the reality is that they will have to work beyond the age of retirement.

Pension provision for musicians compares unfavourably to national figures for employees, self-employed and professional workers. Our findings show that 65% of musicians do not regularly pay into any pension scheme. This is over double the national figure for self-employed people and nearly three times the national figure for employees.

The Scottish Widows UK Pensions Report (2012⁸), looking at employees between 30 years-old and state pension age who earn more than £10,000 per year, reveals that over a fifth (22%) of people are failing to save anything at all.

A Prudential report, focusing on the self-employed, found that 29 per cent will rely entirely on the state pension in retirement.⁹



I've made most of my living over the last 7 years on touring shows... I've never had any contribution to a pension by an employer to date.

(Interview, musician)

Fig. 10: Do you regularly pay into a pension scheme?

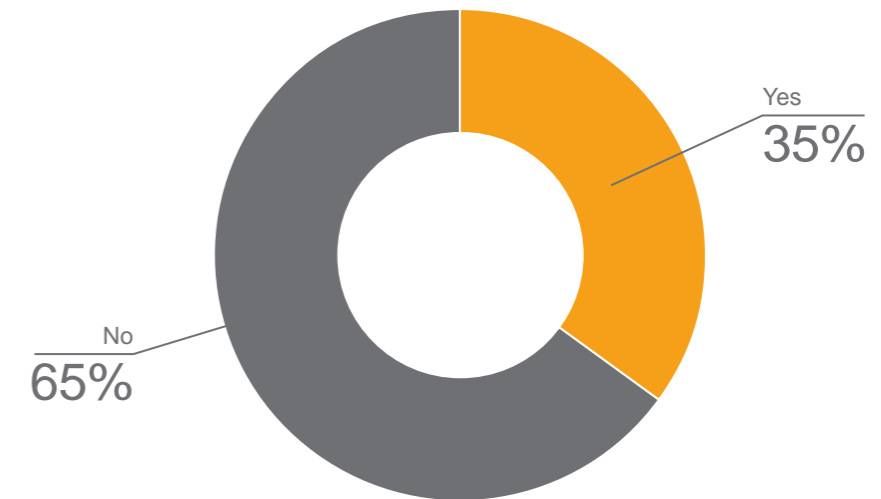
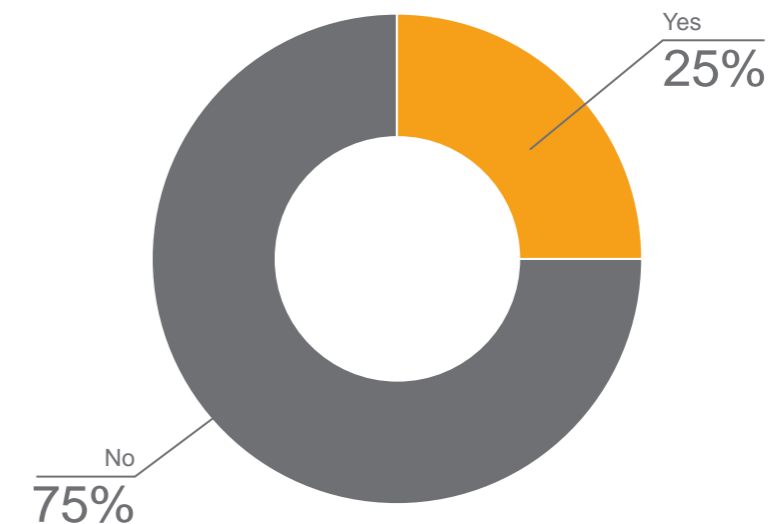


Fig. 11: Does any organisation / employer contribute to your pension?

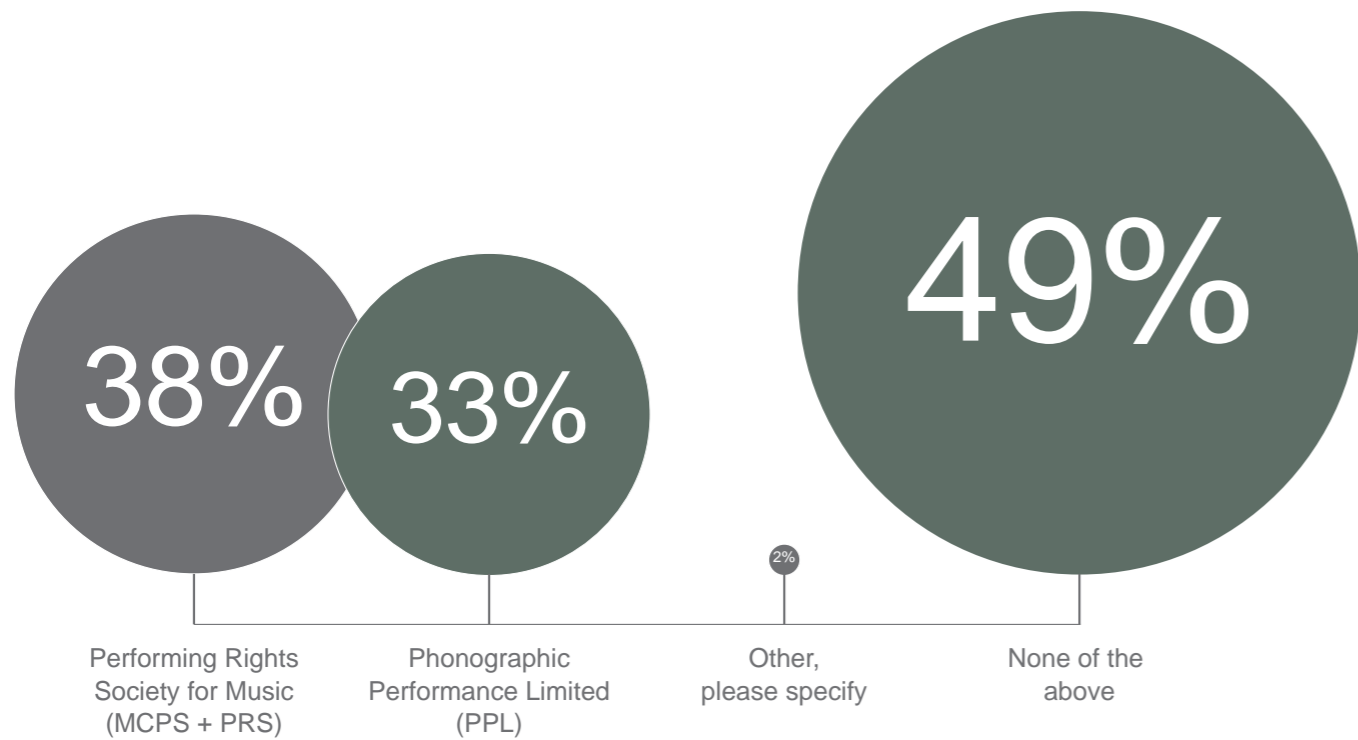


In 2011, the proportion of UK employees who belonged to a workplace pension scheme was 48 per cent (ONS data).¹⁰ The National Association of Pension Funds Workplace Pension Survey (2010) puts this figure much higher at 57%¹¹. For workers in professional occupations, three in four have a workplace pension scheme (76% - ONS 2011). For musicians only one in four (25%) are members of a workplace pension scheme that includes an employer contribution. Professionals outside of music are, therefore, three times more likely to have a workplace pension that includes an employer contribution.

Royalties from compositions and recordings are important additional sources of income for working musicians

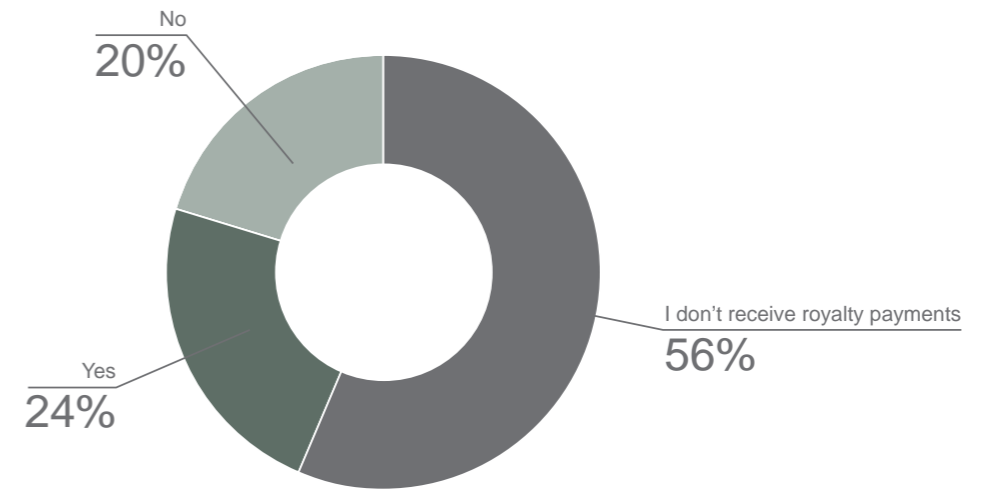
Roughly half of all musicians belong to one of the major collecting societies. In the UK, PRS for Music is the collecting society for songwriters or composers of songs/music and Phonographic Performance Ltd. (PPL) is the collecting society for performers on sound recordings.

Fig. 12: Are you a member of a collecting society?



Collecting societies license music and collect royalties from a number of sources; television and radio broadcasts, music performed live at gigs, concerts and theatres, and businesses and other organisations that use music. These range from bars, nightclubs, shops and hotels to offices, factories and gyms. They then distribute these royalties to their members who hold the rights to the recorded music and compositions. Over half of the musicians who receive royalty payments reported them as being 'economically valuable'.

Fig. 13: Are royalty payments from copyright economically valuable to you?



These payments can add up to an important additional revenue stream for musicians through sales and public broadcasts. This can aggregate over time and supplement the low incomes reported above.

To focus on the album we're living in ways that are fairly hand to mouth, and not sustainable for more than a few months in my opinion... We did get a PRS payment recently that will nearly cover all our rent payments for a month. That was a nice surprise.

(Interview, musician)

Conclusions

The Working Musician research has shone a light on a highly educated, trained, skilled and experienced set of musicians who, despite such high levels of qualifications, skills and experience face an uncertain and precarious working environment marked by income levels and benefits that are not comparable to similar sets of workers elsewhere in the UK labour market. Pension provision and annual levels of income are particularly poor when compared to other professional groups in the UK.

Musicians have highlighted the challenges they face from their experiences of the tax and benefit system and in accessing and benefiting from financial service provision in ways other working people take for granted. More imaginative ways need to be found to ensure musicians and creative workers generally get a more equitable deal from both the financial services industry and the tax and benefit system.

The major question the findings of this research poses is; for how long can the UK maintain a pool of world beating musicians and attract new talent from all backgrounds given the earnings potential of the average musician and the spiralling costs associated with education, training and sustaining a musician's career?

The Research

The findings presented above are predominantly based on the responses to an online survey that was operational in August, September and October 2012. Email invitations were sent to 20 000 Musicians' Union members; the survey was also promoted in a number of newsletters and websites that connect in some way to working musicians in the UK.

1,966 working musicians in the UK completed the survey; 90% of these were members of the Musicians Union. The survey findings were supplemented with 25 semi-structured interviews with individual musicians with a mix of different genres and roles, plus semi-structured interviews with eight officials of the Musicians' Union. One further interview was carried out with a representative from the BPI with expertise in copyright and piracy.

Acknowledgements and Credits

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Endnotes

¹Facts from the BPI Yearbook 2010, 2011 & 2012 (British Phonographic Industry / British Recorded Music Industry)

²Foreign and Commonwealth Office website (20/10/2012) - <http://www.fco.gov.uk/en/about-us/what-we-do/public-diplomacy/great-campaign/music>

³PRS for Music quoted on BBC News - <http://www.bbc.co.uk/news/entertainment-arts-20004225>

⁴Association of British Orchestras (ABO) Key Facts 2011. Income data includes public investment, philanthropy, tours and performances, revenue from recordings and other sales but figures do not include the BBC orchestras.

⁵UK Music (2010) The Contribution of Music Festivals & Major Concerts to Tourism in the UK – Destination: Music report
www.ukmusic.org/assets/media/UK%20Music%20-Music%20Tourism.pdf

⁶UK Music (2010) Liberating Creativity. p. 11

⁷Anna Price (2006) 'Pit of despair'. The Guardian, Thursday 2 February.

⁸http://www.scottishwidows.co.uk/about_us/media_centre/reports_pensions.html

⁹Prudential Research cited in - http://www.pcg.org.uk/cms/index.php?option=com_content&view=article&id=8707&catid=746:freelancing-news&Itemid=995

¹⁰Office for National Statistics (ONS) 2011 Annual Survey of Hours and Earnings: Summary of Pension Results (SOC 2000) - http://www.ons.gov.uk/ons/dcp171778_256109.pdf

¹¹<http://www.napf.co.uk> - The ONS survey does not include group personal pensions or stakeholder pensions

