

From:

United Musicians and Allied Workers, Austin Texas Musicians, Working Families Party, Texas Working Families Party, AFM Local 433 Executive Board and Festival Committee, National Writers Union, Independent Gigging Musicians An AFM Organizing Initiative, Music Workers Alliance, Secretly Group Union OPEIU Local 174, Bandcamp United - Local 1010.

To:

Austin Parks and Recreation Board

Regarding:

Proposed Austin Parks and Recreation Board Recommendation titled “Recommend that the City of Austin Council Support a Fair Pay for SXSW Performing Artists.”

June 14, 2023

We, the coalition of undersigned organizations, strongly support the passage of the Austin Parks and Recreation Board [recommendation](#) titled, “Recommend that the City of Austin Council Support a Fair Pay for SXSW Performing Artists.” We believe this recommendation will be a meaningful step toward ensuring fair working conditions for cultural workers in the City of Austin.

Background:

Since SXSW launched in 1987, musicians have been SXSW’s backbone and main draw. Yet despite SXSW’s consistently growing profits and ever-expanding programming over the past 30+ years, the musicians performing at the festival continue to be exploited with low pay and high application fees.

[For at least a decade](#), SXSW has offered its showcasing artists the same unjust compensation options: either take a wristband to attend the festival, or receive a one time payment of \$250 (or \$100 for solo artists). International artists do not even have this choice, and are only offered a wristband with no possibility for compensation. Some international artists are unable to receive payments for their performance due to visa restrictions. But even within existing visa regimes, SXSW could reimburse these artists for their costs of travel, and offer to provide accommodations, food, and other expenses equal to the compensation offered to domestic artists.

While SXSW has maintained these insultingly low wages since at least 2012, the festival has regularly increased its application fees. For instance, in 2012 the fee was \$40, and in 2023 it was \$55 – a 37.5% increase. Even without accounting for skyrocketing inflation, these stagnant wages and growing fees have meant an actual decrease in wages for SXSW performers over the past decade.

[In 2022](#), 5001 artists applied to perform at SXSW. That means the festival took in \$275,055 from artist application fees alone. Of those 5001 who applied, only 1501 were accepted to perform at the festival. [According to SXSW](#), only 128 of those artists opted to take the cash payment over the wristbands, so at most SXSW paid artists a total of \$32,000. This means that the festival took \$243,055 more from artists than it paid out.

While SXSW does not publicly report its profit numbers, the festival boasted that in 2022 it had a [\\$280 million impact](#) on Austin. In 2019, before the pandemic, that impact was \$355.9 million. The lowest cost badge to attend the music festival in 2023 [was \\$795](#), while the highest cost pass is \$1,395. Music festival wristbands, which grant lower levels of access, still cost a minimum of \$149.

The value that artists bring to SXSW must also be significantly multiplied beyond a simple calculation of ticket sales to the music conference. Music started SXSW, and it remains the central feature that makes the festival “cool” and desirable for the thousands of participants and attendees at the film, education, gaming, technology, and business components of the festival. Musicians attract these attendees who bring enormous value to SXSW and the City of Austin through attendees purchasing badges, wristbands, hotel rooms, dinners, and more.

The festival has evidently generated enough profit that it is expanding and holding a new edition of SXSW in Sydney, Australia this October. The Sydney edition of the festival is offering artists zero payment for performances.

At the Austin Parks and Recreation Board meeting in March, [SXSW’s lobbyist argued](#) that the festival should not have to increase its payments to artists because, “This is not a consumer-driven event like Coachella and Lollapalooza.” However, [according to SXSW’s own statistics](#), the festival drew some 232,258 attendees in 2022, with concerts alone bringing in 134,537 attendees. The fair pay standard that musicians are asking for – at least \$750 – is a small fraction of the amount that even the lowest paid performers are offered to play festivals such as Coachella and Lollapalooza.

[In 2021](#), Penske Media Corporation purchased a 50% stake in SXSW. The company also owns a media empire consisting of publications such as Rolling Stone, Variety, The Hollywood Reporter, Billboard, Artforum, and many others. Penske Media Corporation is owned by the billionaire Penske family, who are major donors to former President Donald Trump and other Republican candidates and causes.

Despite hundreds of millions of dollars generated by the festival—and the deep pockets of its new owners—SXSW has refused to negotiate with artists demanding higher payments.

Musicians and the larger Austin arts community are deeply frustrated with the festival’s lack of action. The Union of Musicians and Allied Workers – one of the coalition members on this letter – launched its Fair Pay at SXSW campaign in early February, 2023 to demand that the festival increase compensation for musicians performing at the festival. The [demands letter](#) has been signed by nearly 2500 artists, including 175 Austin artists, and 315 Texas artists.

The four demands included in the Fair Pay at SXSW letter are: 1) Increase the compensation for showcases from \$250 to at least \$750 for all performers 2) Include a festival wristband in addition to financial compensation. 3) Work toward providing the same compensation and wristband deal to international artists and domestic US artists 4) End the application fee.

During this year’s SXSW, artists also held a [protest concert](#) and a [rally](#) to draw further attention to these injustices. Both events were widely covered by national and local Austin press outlets. Congressman Greg Casar and Austin City Councilor Zo Qadri spoke in support of the campaign during these events, and Austin City Councilor Vanessa Fuentes publicly stated her support.

The City of Austin has taken important and commendable steps in the past to ensure that workers are compensated fairly for their labor, such as through enforcing living wage compliance with its capital

contracting program, which requires all City-contracted construction projects to pay their workers at least the prevailing wage for their trade.

Music and the arts are synonymous with Austin. Too often, though, the arts workers who bring so much to the city struggle to get by because of low pay and nonexistent benefits. Requiring that the wealthy SXSW festival fairly compensate artists would be one significant step toward just treatment for arts workers. The undersigned coalition of organizations, and artists across Austin and the country, urge the Parks and Recreation Board to stand with music workers and approve the Fair Pay at SXSW recommendation.

Thank you for your consideration on this important matter,

United Musicians and Allied Workers (UMAW)

Austin Texas Musicians

Working Families Party

Texas Working Families Party

American Federation of Musicians (AFM) Local 433 Executive Board and Festival Committee

National Writers Union (NWU)

Independent Gigging Musicians An AFM Organizing Initiative

Secretly Group Union OPEIU Local 174

Music Workers Alliance

Bandcamp United - Local 1010

New York City - Democratic Socialists of America (NYC-DSA)