

**From:**

United Musicians and Allied Workers

**To:**

Austin Music Commissioners

**Regarding:**

Letter urging the Austin Music Commission to recommend that the City of Austin Council support fair pay for musicians at SXSW

June 29, 2023

United Musicians and Allied Workers (UMAW) urges the Austin Music Commission to pass a recommendation that the City of Austin Council support fair pay for performing artists at SXSW. We believe this recommendation would be a meaningful step toward ensuring fair working conditions for cultural workers in the City of Austin. The Austin Parks and Recreation Board [recently passed](#) such a [recommendation](#) unanimously.

As discussed in detail below, SXSW recently attempted to quiet musicians' frustration by now offering artists the option of either a supposedly enhanced wristband *or* insignificantly higher pay. UMAW and the thousands of SXSW artists signed onto our Fair Pay at SXSW campaign resoundingly reject this offer as insufficient and insulting.

**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 over 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.

Musicians and the larger Austin arts community are deeply frustrated with the festival’s lack of action. UMAW launched the 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 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. On June 26, the Austin Parks and Recreation Board unanimously voted to make a recommendation that the City of Austin Council support Fair Pay at SXSW.

## **Recent Developments**

Ignoring the demands of musicians, SXSW recently attempted to stifle artists' anger by slightly updating their compensation package. The festival is now offering artists either a supposedly enhanced wristband, or an increased payment of \$350 for bands, and \$150 for solo artists. The festival still maintains its application fee, is still forcing artists to choose between either a payment or a wristband, and has made no movement toward compensating the costs of international artists. After over a decade without any increase in payment, SXSW's insignificant new offer is a slap in the face to musicians. UMAW and the thousands of artists signed onto the Fair Pay at SXSW resoundingly reject this compensation package as woefully insufficient. SXSW and Penske Media have the deep pockets to fairly pay artists, include a wristband with payment, and equally compensate international artists.

SXSW claims that artists largely come to the festival primarily for the wristband. In support of this notion, SXSW's lobbyist Michael Whellan has repeatedly bragged that more than 90% of artists choose to receive a wristband instead of payment. Any SXSW artist could tell you, however, that they chose the artist wristband not because they were thrilled about community-building opportunities, but because the payment SXSW offered was so low as to be meaningless. The fact that SXSW has only been paying less than 10% of its artists only demonstrates how profoundly the festival has been exploiting artists. Across the country and the world, it is standard for music festivals to provide musicians with both payment and access to the event at which they are performing.

Another argument raised by SXSW is that a Fair Pay at SXSW ordinance would necessarily apply to other bookers of live music, and so could potentially hurt less well funded events and festivals. This is simply incorrect: the City of Austin negotiates an unique deal with SXSW, and has the authority to require the festival to pay artists fairly if the festival wishes to continue receiving such extensive access to public lands and resources. SXSW is a uniquely wealthy and large festival, with an obvious special importance to Austin. It is also unique in its low payment to artists, its failure to give artists both festival access and payment, and its application fees. Other private music festivals

in the city—such as Austin City Limits—already pay artists rates far better than the \$750-and-a-wristband rate being demanded.

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. The Music Commission has already taken action on musician pay with its recommendation for a \$200/hr per musician city rate. The Commission can and should continue to support fair pay for artists.

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. UMAW, and artists across Austin and the country, urge the Music Commission to stand with music workers and pass a Fair Pay at SXSW recommendation.

Thank you for your consideration on this important matter,

United Musicians and Allied Workers (UMAW)

Music Workers Alliance (MWA)