



C A R F A C

CANADIAN ARTISTS REPRESENTATION
LE FRONT DES ARTISTES CANADIENS



regroupement des artistes en arts visuels du Québec

Highlights of the proposed scale agreement with the NGC

CARFAC and RAAV are pleased to report the successful conclusion of negotiations with the National Gallery of Canada (NGC). We present to you, our members, a revised scale agreement for visual and media artists who are engaged by this federal institution.

CARFAC and RAAV are certified under the federal Status of the Artist Act to negotiate scale agreements on behalf of visual and media artists. In 2015, CARFAC and RAAV ratified our first scale agreement with the NGC. The agreement covers terms and conditions for the exhibition and reproduction of works of art, as well as the provision of professional services by living Canadian visual and media artists. It is available on RAAV's website : <https://www.raav.org/arts-visuels-au-quebec/contrats-et-licences>. The National Gallery of Canada Agreement took effect on April 1, 2015 and remains in effect until March 31, 2018, or until such time that a new agreement is approved by our members.

Subject to its approval, this agreement will be in effect upon the date of signature by CARFAC, RAAV, and the NGC, for a period of four years.

We believe we have made some gains for artists with this agreement. The proposed agreement has been simplified from its previous version, and its duration allows for more predictability. Some concessions were made in a few areas, but some notable increases were approved as well. The agreement sets out mandatory minimum fees and working conditions, and artists remain free to negotiate above these minimums. The significance of the scale agreement is that the NGC is never able to offer an artist a fee that is less than our negotiated rates.

General terms of the Scale Agreement

As indicated in section 23:00 of the Scale Agreement, the duration of the agreement will be four years from its final date of ratification. Pending approval, it is expected to come into effect upon signature of all parties at the end of May. Our first agreement was ratified for three years. A shorter duration for the first agreement allowed all parties to evaluate its effectiveness, and to make recommendations for changes based on our experience using the agreement.

Once ratified, the application of this agreement will continue to be monitored by representatives from the NGC, CARFAC, and RAAV, as outlined in sections 18:00 and 21:00.

Relevant joint committees will be responsible for finding solutions if a dispute arises, and for recommending modifications when the agreement is renegotiated. Section 18:00 also includes changes to the process for handling disputes, which allows the parties more time to resolve the issues.

As before, the agreement applies to all living Canadian visual and media artists, whether or not they are members of CARFAC or RAAV, with some limitations if an artist is a member of a copyright collective, as described in sections 1:00 and 6:00. While we still negotiate minimum fees for collective members related to professional services, copyright collectives may negotiate an artist's copyright separately from this agreement.

An administrative working dues fee of 5% will be deducted from an artist's payment if they are a member of CARFAC or RAAV, and it will be remitted annually to CARFAC or RAAV, depending on the artist's place of residence. Working dues of 10% will be deducted if an artist is a non-member of CARFAC or RAAV. This process is described in sections 7:00 and 9:00 of the Scale Agreement. Previously, all artists paid 5% working dues, and non-members were additionally required to purchase a work permit from CARFAC or RAAV if their payments amounted to \$300 or more. This system proved to be too administratively cumbersome for all parties involved. If a non-member subsequently decides to become a member, the artist can contact the relevant association for reimbursement of a portion of the check off fees. Reimbursement is at the sole discretion of CARFAC/RAAV. It is our preference that an artist will choose to join as a member, and we understand that charging different rates of working dues based on an artist's membership status is standard practice among other artist unions.

Our previous agreement included a 1.5% annual increase after the first year of the agreement. This time, section 23:00 states that only the professional services listed in Schedule A will include a 1.5% cumulative annual increase for fees paid from the second year onwards, and will coincide with the NGC's fiscal year. All other fees will remain unchanged for the duration of the agreement. It is important to note that some of the proposed fees have increased substantially since our first agreement. A flat fee for four years provides administrative simplicity and, in some cases, a bigger financial gain for the artist because the fee increase is in place for the duration of the agreement, rather than introduced incrementally. This means more money for more artists at the outset.

The previous Schedule B - Letter of Intent has been removed from the agreement. Instead, artists will receive a similar Email of Intent, which will include similar terms as described in Section 7:00 of the Agreement.

Finally, all relevant contract forms used by the NGC under this agreement include all relevant changes reflected in the Scale Agreement and Fee Schedules.

Main changes in monetary proposals in the proposed agreement:

Schedule A - Artist Professional Services Fee Schedule

- Upon ratification, professional services fees are increased as follows in 2018:
 - Preparation, Production, and Consultation fees increased by 11%
 - Installation fees increased by 4.2%
 - Guided Tours, Media events, and Openings fees increased by 14.5%
- Two new categories are added for Skills/Techniques Workshops and Artist Conversations. In both cases, the time commitment to prepare and deliver these services is minimal, and the fees are based on similar rates established for other services.
- All professional services fees will have a cumulative 1.5% annual increase, beginning on April 1, 2019.

Many artists are paid professional services fees in addition to copyright royalties, and they often add up to a significant payment for artists engaged by the NGC.

Schedule B – Exhibition Rights

- The new solo exhibition fee is \$9,500, representing a 10% increase on the current rate of \$8,628. Group exhibition, performance, and single work rates are all based on the solo rate, and they are scaled accordingly. The size of this space is ~ 1400 square meters.
Before our first scale agreement in 2015, the NGC typically paid ~\$3,600 for a solo exhibition.
- New solo exhibition fees have been negotiated for smaller exhibition spaces, including:
 - Prints and Drawings gallery (300 square meters): \$5,750 (60.5% of the solo fee)
 - Photolab space (56 square meters): \$3,000 (31.5% of the solo fee)
 - NGC Library display case (small vitrines): \$1,900 (20% of the solo fee)*These spaces are much smaller than the galleries where solo exhibitions are typically presented, and it therefore makes sense to reduce the fees accordingly.*
- The new fee of \$17,500 for a solo show at the Venice Biennale has a lower increase of 1.42%, but this fee was already considerable, particularly when reproduction and professional services fees are included, and it will take place twice over the duration of this agreement.
Before 2015, the NGC typically paid ~\$2,400 for this exhibition.
- The new \$350 fee for the installation of works from the permanent collection is 16.6% higher than the current rate. The fee is applied each time the work is installed.

Schedule C – Reproduction Rights

- For exhibition catalogues, several changes have been made:
 - The fee paid for an image used on a front or back cover is now \$300, which is an increase of 14.5% over the current fee.
 - Otherwise, the formula for catalogues has remained the same except if the NGC has a print run that includes catalogues that are not offered for sale. In this instance, the fee for the portion of the print run that is not for sale would be reduced by 50%. The rationale is that some copies may be retained by the NGC for internal use, for example, and they will not make a profit on those copies. All copies that are intended for sale will receive 100% of the fee, whether all copies sell or not. It is estimated that on average, 70% of catalogues are offered for sale.
- Several changes have been made to other kinds of reproductions. Previously, these rates were based on the CARFAC/RAAV Minimum Recommended Fee Schedule, but that is voted on separately and annually by our members, and the NGC would not sign a four-year agreement under those terms.

Instead we streamlined this section of the agreement by including all common forms of reproduction used by NGC. If a new use comes up, it will be referred to a joint consultation committee. The NGC usually licenses many uses at once from an artist, and they can add up. Reproduction fees are either paid based on usage, or a flat fee may apply in some circumstances. The relevant fee depends on whether an exhibition fee is paid for a temporary exhibition. An exhibition fee may not apply if a work is made before 1988, or if an image is reproduced but is not part of a NGC exhibition.

It is worth noting that the NGC did not always pay fees for reproductions before 2015.

- Fees for the NGC web database (formerly found in Schedule E) remain at \$10 per work per artist per year, but the maximum payment per artist is now capped at \$200 per year. We believe most artists would not be affected by the cap, and the cap gives the NGC more flexibility to make more of its collection available on their website.

Schedule D – Template Long Term Agreement

- Several changes have been made to the LTA. In our current agreement, fees for exhibitions of permanent collection works were based on the value of the work, or the fee found in Schedule B.2. Over the last three years, the NGC has only paid the fees in Schedule B.2, so we removed the option based on the value of the work. We also added a statement that if reproductions are to be made of work in the permanent collection, they will be paid in accordance with Schedule C.

Before 2015, the NGC usually signed a royalty-free 10-year license with artists, for all exhibitions and non-commercial reproduction uses of their work.