

Latvia

INSTITUTIONAL AND LEGAL FRAMEWORK

- **Conventions**

Latvia has signed the following conventions in cultural matters:

Bern Convention protection of Literary and Artistic works (1986), Latvia 1995

European Cultural Convention (Paris, 1954), Latvia 1992

The International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting organizations (Rome, 1961), Latvia 1999

The Convention for the Protection of Producers of Phonograms against Unauthorized Duplication of their Phonograms (Geneva, 1971), Latvia 1997

Convention Concerning the Protection of the World Cultural and Natural Heritage (Paris, 1972), Latvia 1997

World Intellectual Property Organization Copyright Treaty (Geneva, 1996), Latvia 2000.

World Intellectual Property Organization Performances and Phonograms Treaty (Geneva, 1996), Latvia 2000

UNESCO Declaration on cultural diversity (Paris, 2001)

- **Agreements**

The Republic of Latvia has signed agreements in cultural matters with: Cyprus, Croatia, Czech Republic, the Hellenic Republic, UNESCO, Slovenia, Italy, Hungary, Vietnam, Finland, China, Ukraine, Flanders, Israel, Great Britain, India, Germany, Poland, Overijssel (Denmark)

- **Recommendations:**

UNESCO recommendations for the status of the representatives of creative professions

The governmental bodies in charge of:

a) cultural affairs:

The governmental bodies in charge of cultural matters are the Ministry of Culture, The State Inspection for Heritage Protection, the State Authority on Museums, the National Museum Board, The National Film Centre, the State Agency "Folk Art Centre", the State Centre for Cultural Education and the Cultural Capital Foundation.

Cultural policy-making is the duty of the Ministry of Culture and the Culture Capital Foundation.

The Ministry of Culture and the Cultural Capital Foundation supervises working conditions of artists.

A survey on the status of the artists

In 1996, the Ministry of Culture in co-operation with the Market and Social Research Group Baltic data house carried out the research "The status of the representatives of creative professions". The main purpose was to have more exact and complete data and evaluation of the most important problems the artists face in their professional work. A special attention was paid to the questions concerning creative activities, participation in

exhibitions and international projects, divisions of expenses, author's rights protection, and evaluation of creative activity. The results of research gave a better understanding of the needs and problems of the representatives of creative professions. Nevertheless, there are no government bodies in charge for disabled artists.

b) Cultural education

The governmental body in charge of continuing training for artists and cultural workers is the State Center for Cultural Education.

c) Cultural research

The Ministry of Culture, the Ministry of Education and Science and the Science advisory body are in charge of cultural research.

d) Tax policies and taxation in the field of culture are in charge of:

the Ministry of Culture; the Ministry of Finances; some corresponding parliament commissions.

Cultural policy

The percentage of the national budget allocated to culture:

A rising trend from 1998 up to 2002: 1.71 % (1998), 1.75% (1999), 1.75% (2000), 2.08% (2001), 2.06% (2002).

The national program Culture: the Latvian Cultural Policy

The national program "Culture", enacted by the Cabinet of the Republic of Latvia on the 9th of May of 1995, represents the continuation and execution mechanism of "*Postulates of Latvian State culture policy*" approved by the Saeima (The Parliament) in 1995.

The national program "Culture" is a total of measures and undertakings of culture and culture-industrial branches carried out by the state, which realization is significant and essentially necessary for Latvian society and national economy's development on the whole. The goal of the program's development is, being based on the analysis of the present culture situation, to appoint aims and priorities of the cultural policy for subsequent periods, to elaborate detailed plan of arrangement for achieving these aims and assuring the priorities, and to implement this plan. The national program "Culture" constitutes a complex long-term target-program for the period up to 2010 that comprises two-stage programs on 2000-2005 and 2006-2010 respectively. They consist of 10 subprograms.

Program includes:

- defined perspective targets and sub-targets of cultural development, - specified ways of achieving this target, particular arrangements and their financing, - each culture sub-branch includes:
- Realized strong points and problems, which must be solved during realization of the program, stated development tendencies, elaborated activity plan for the period up to 2005, arrangements planned for the period up to 2010.

Indicators used to evaluate the outcomes of cultural policies

The annual reports of the Ministry of Culture as well as the Culture Capital Foundation, and the art projects financed by the state through Cultural Capital Foundation, could be mentioned as indicators. Analyzed and discussed by professionals at different conferences, it enables to evaluate the outcomes in the cultural field.

Structures involving the participation of the artists in cultural policy-making at local and national levels

The Council of Creative Unions of Latvia (CCUL), founded in 1988, unites 12 professional organizations. CCUL negotiate separate issues with the Parliamentary Commissions and Governmental bodies. More than 70 independent experts - professionals from different fields of culture- took part in the elaboration of the National program "Culture", which is the main strategy document on cultural policy for the period 2000- 2010.

The most important advisory body to the Ministry of Culture is the **National Council of Culture**, established in 1995, which main tasks are to promote public participation in cultural life and to enhance co-operation between the state, public institutions and individuals.

Advisory councils counselling the Ministry include also the **Latvian Council of Theatres**, the **Strategic Council of the Latvian National Film Center**, the **Visual Arts Council**, the **Latvian Council of Museums**, the **Latvian Library Council**, the **Council of Literature and Books**.

Provisions in the cultural policy for: art works, subventions to art institutions, art events at local, regional or national levels, set up of funds for the arts.

Cultural policies do provide some priorities for the allocation of a portion of public funds for art works and subventions to art institutions. The Culture Capital Foundation (a non-profit state joint-stock company) supports and enhances culture as whole, including individual artistic projects at local, regional and national level, promotion research into culture and cultural heritage, and awarding grants to outstanding individuals engaged in art and culture. Combined models of found rising are often used by artists to organize cultural events.

The Song Festival, held every five year, highlights Latvian cultural life with 30.000 participants in 2003. The festival was financed partly by the state budget (2 millions), by private organizations and sponsors, and return.

Measures aimed to improve the infrastructures for the spread of the arts

In the national legislation, the State investment program allowed 573000LVL (880185 EUR) for culture (reconstruction of museums and theatre) in 2002. There is a critical deficit for lager well equipped exhibition hall, modern concert hall, contemporary museum hall; one of the biggest projects that have been elaborated is the building of the National library.

Laws and regulations governing

a) employment and working conditions

Labor Law (employment and working conditions)

b) Social welfare (health insurance, occupational accidents, disability, unemployment, pensions):

- Laws on State Funded Pensions; on Private Pension Found; on Compulsory Social Insurance against Unemployment; on Employment; Insurance Law.

- Law on "Long-service pensions for performing artists employed by state and local government professional orchestras, choirs, concert organisations, circuses and theatres" (2004).

There is not a special law for artists and cultural workers.

WORKING CONDITIONS

Professional status

There is neither a work permit nor a "professional" status for artists.

Health care system

The basic model of health care in Latvia is as following. All territory of Latvia is divided into 7 regions with one Sickness Fund. Every inhabitant has to choose family one doctor – internist. Every internist is working under some Sickness Fund. At the beginning of the year, the State distributes between Sickness Funds quotas in correspondence with the number of population in every sickness fund. Further quotas are distributed between family doctors.

There is also a health insurance market increasing from year to year. Health insurance companies have agreements with medical institutions. Insured people can receive free medical care only in these special medical institutions or they can pay themselves for services if they have agreed with family doctors, and then receive money back from insurance company.

There is no special health care system for artists.

Social insurance system against work injuries and occupational diseases is linked to the working conditions.

Social welfare

Artists, like all other workers, may receive social support only if they have paid social insurance tax.

Pension insurance

In 1995, a three pillar pension system was implemented:

-1st tier: the state compulsory non-funded pension (a system with the objective to provide the max compliance of the social security benefits granted with the social insurance contribution paid.)

-2nd tier: the state compulsory funded pension (accumulation and investment principle of individual social insurance contribution), the law "*On State Funded Pensions*" (2001). In contrast to the first tier where national capital is accumulated, actual capital is accumulated in the second tier.

- 3rd tier: the private voluntary pension scheme (accumulation of private saving in private funds), the law "*On Private Pension Funds*", 1998. The amount of the pension is based on life earning. Since 2002, pensions less than 90LVL (152 EUR) have been indexed by the consumer price index and wage index. Pensions from 91 to 150 LVL are indexed only by the consumer price index. The guaranteed minimum of pension amount is set according to the length of the working period.

Unemployment insurance

In 1996, the system was reformed on social insurance principles and the *Law “On Compulsory Social Insurance against Unemployment”* came into force. This law provides that unemployment benefit is paid depending on the previously earned wage. If social insurance payment has been made for at least 9 months during the 12 months before getting the status of unemployed, the benefit is paid proportionally to the insurance history: 50% to 65% of the average earning of the last six months decreasing gradually after three months. Unemployment benefits have a maximum entitlement of 9 months.

The *“Law on Employment”* (1991) provides for the responsibilities of local governments and for the obligations of employers in promoting employment. The law sets the conditions for obtaining the unemployed status, defines the rights and obligations of the unemployed, and formulates active and passive unemployment measures. Unemployed persons receive: study grants and reimbursement of travel and living expenses during the period of their involvement in training courses; at least the minimum wage during their engagement in paid temporary community jobs; have incentives to accept short-term labour contracts and keep the right to receive the unemployment benefit if the contract is not prolonged.

Only in a very few occasions, artists who have lost salaried work can have the status of unemployment, but not free-lance artists.

Social insurance against work injuries and occupational diseases

This is a new branch of the social insurance being introduced since 1997. In order to provide a decent social protection in case of the insolvency of employers, the decision was made to create the Guaranties fund, starting to operate from 2003. The fund will be financed from employers' payments.

Starting from 2003, the State Social Insurance Agency has been taking over the employers' liabilities if the employer who should pay the compensation does not exist anymore. These costs are financed from the social insurance budget.

Sickness and maternity insurance

Since 1997, when the new system was introduced, employers have been obliged to pay sickness money for the first two weeks. Social insurance offices are responsible for paying sickness benefits starting only from the fifteenth day of sickness and maternity benefits starting from the first day of incapacity for work. The amount of the benefit is 80% from the average contribution wage for the last six months.

Compulsory social insurance

The employees and self-employed persons are subject to compulsory social insurance as provided by the *law “On State Social Insurance”*.

1) The basis of compulsory contributions for employees is all income earned from which personal income tax is to be deducted, without deduction of the non-taxable minimum, tax exemptions and justified expenses for which the tax payer is entitled to reduce the taxable income.

The employer calculates the compulsory contribution amount payable for each employee. The employer makes the contributions on behalf of the employee on a monthly basis. In 2003 the maximum amount of income from which social insurance contributions were paid was 18 400 LVL.

2) Contrary to employees, self-employed persons are only considered as socially insured if their contributions have actually been made.

Self-employed persons are insured if their income exceeds the minimum amount of the base for compulsory contributions defined by the Cabinet of Ministers. The contribution base must be declared by self-employed workers. The Cabinet of Ministers set the minimum and maximum amounts of the contribution basis. The minimum amount of earnings subject to contributions is 540 LVL per year and the maximum amount cannot exceed 18 400 LVL in year 2003. The payment of contributions must be made once per 3 months.

Artists are not obliged to resort to complementary insurance schemes.

Administration bodies

Since 1998, the State Social Insurance Agency with 33 branch offices through whole Latvia administers contributions and the payments of benefits.

All contributions and benefits' payment are administered by the State. The State Revenue Service is responsible for collecting social insurance contributions. The State Social Insurance Agency and its local offices administer social insurance services.

REMUNERATION

According to the Cabinet of Minister's Regulations, the nationally set minimum level of monthly income is Ls 70 or 108 EUR per person/ per month.

Wages are paid directly by employers.

There is no special system, on the bases on contract.

UNEMPLOYMENT

Artists like all other workers may receive unemployment insurance only if they have paid social insurance tax.

The State Social Insurance Agency administers the unemployment insurance scheme.

TAX STATUS

Tax policies and taxation in the field of culture are in charge of:

- the Ministry of Culture;
- the Ministry of Finances;
- some corresponding parliament commissions.

Tax status and tax advantages

There are no special laws regulating the taxation for artists. According Art. 9 of the "*Law on Income Tax of Population*", the different types of income to which tax is not imposed on are the following: grants that have been paid from the budget, resources of the foundations included in the list approved in which participation has been approved by the Cabinet of Ministers.

Royalties

It is compulsory for self-employed artists to pay social tax if their income has reached 45 LVL (80 USD). Those artists who have salaried work may choose freely to pay or not to pay social tax from royalties.

Exceptions on cultural products

The Value Added Tax is not imposed on the import of the objects of art, which are imported to increase collections of museums.

Marketing, import and export of cultural products

Since 2002, both the Florence Agreement (1950) and the Protocol of Nairobi (1976) on the Importation of educational, scientific and cultural materials have been ratified in Latvia.

Custom duties agreements on the circulation of cultural products

For the creative works and exhibition items there are no custom duties, except if the art works are brought in as goods, there can be certain fees.

INTERNATIONAL MOBILITY

Fellowships and financial aid to promote the mobility of artists

Artists can receive travel grants by different ways:

- the Culture Capital Foundation, non-profit state joint-stock company that receives financing from the excise tax imposed on alcohol and tobacco products and the most prominent arm's length body of the Ministry. CCF supports and enhances culture as whole, including individual artistic projects at local, regional and national level, promotion of research in cultural matters and cultural heritage, and awarding grants to outstanding individuals engaged in art and culture. Decisions about the allocation of funds to cultural projects are taken by expert bodies (professional artists and elected from art organizations) of the arts sector concerned according to the priorities set by the CCF and depending on the artistic quality of the projects.

For further information see: <http://www.kultura.lv/en/politic/>

- the Baltic Sleipnir program at the Nordic Council of Ministers Information Center
http://www.sleipnirgrants.org/1_readmore.html
SLEIPNIR is the Nordic Council of Ministers' travel grant program for young professional practitioners of the arts in the Nordic countries. Sleipnir supports international travel within the Nordic countries and from the Nordic countries to the adjacent Eastern area and covers all the arts: theatre, dance, visual art, design, architecture, music, film, literature and interdisciplinary. It is targeted at increasing the mobility of artists and to encourage activity across the entire Nordic region and adjacent areas: Estonia, Latvia, Lithuania, as well as, Northwest Russia (Murmansk oblast, Republic of Karelia, Leningrad oblast, Pskov oblast, St. Petersburg and Kaliningrad)
- they can receive also scholarships provided by banks or other institutions

- the Ministry of Culture supports residence of two artists within the framework of an international workshop in Paris.

ALLOWANCES AND FELLOWSHIPS

The **Cultural Capital Foundation (CCF)** founded in 1998, is a non-profit state joint-stock company that receives financing from the excise tax imposed on alcohol and tobacco products and the most prominent arm's length body of the Ministry. CCF supports and enhances culture as whole, including individual artistic projects at local, regional and national level, promotion of research in cultural matters and cultural heritage, and awarding grants to outstanding individuals engaged in art and culture. Decisions about the allocation of funds to cultural projects are taken by expert bodies (professional artists and elected from art organizations) of the arts sector concerned according to the priorities set by the CCF and depending on the artistic quality of the projects.

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COLLECTIVE REPRESENTATION

Legal provisions to protect union freedom

The "*Law on Trade Unions*" mandates that workers, except for uniformed military, have the right to form and join labour unions of their own choosing. Free elected union leadership is held every four years. Unions are free to affiliate internationally and are developing cooperation with European labour unions and international labour union organizations.

Latvian Free Trade Union Federation

On May 1990, 24 branch trade unions united and established the Latvian Free Trade Union Federation to co-ordinate free and independent co-operation of the trade unions of Latvia. At present, there are 28 branch trade unions and professional employees unions representing more than 250 thousand trade union members (around 30%). Latvian Free Trade Union Federation unites trade unions for the implementation of common tasks, to protect labour, economic and social rights and interests of trade union members and take part in the development of legal state and the democratic society.

At an international level, the Latvian Free Trade Union Federation and its member organizations co-operate with the International Labour Organization (ILO), Nordic Trade Union Council (NFS), and trade unions in Sweden, Finland, Germany and other countries. Latvian Free Trade Union Federation is the founder of the Baltic Trade Union Council, observer of European Trade Union Confederation (ETUC) and the member organization of International Confederation of Free Trade Unions (ICFTU).

Artists and trade unions

There are different relations among artists regarding the trade unions. Since the 90s, visual artists do not have any relations at all, in contrary to performing artists (theatre, opera, etc) who have the Latvian Trade Union Federation for People Engaged in Cultural Activities.

Law on Trade Unions (Chapter II), recognizes the following prerogatives to the trade unions:

- the right on legislative proposals in the level of republican institutions;
- the right to participate in working out the programs of economic and social development, laws and other normative acts which concern labour conditions and salaries, forming the prices, social insurance and maintenance, health protection and other issues of labour and social development;
- it shall take part in the determination of criteria of standards of the republic residents life;
- the right to receive from the state institutions free information concerning the social and economic situation of residents and changes in it, to require the republic government to establish the reasonable living wage, no less than once a year to balance wages, pensions, scholarships and allowances corresponding to increasing of prices;
- the right to submit directions on changing the decisions of administration and commercial institutions, as well as to require the cease of the activity decided by those institutions, if they are contradictory to the Republic of Latvia *Law "On Trade Unions"*, disregard labour, dwelling space and other social and economic rights and lawful interests of employees (workers);
- the right to represent and to protect their members in state institutions and organizations in the field of labour relations, adjustment of damages harmed to health, dwelling space and other social and economic interests, in the settling of individual and collective disputes, as well as to address the court for protection rights and interests of their members.

Negotiation of collective agreements

Trade unions on behalf of their members sign the collective agreement with the employer on labour and other social and economic issues. The employer settles labour, social and economic issues in the cases, stipulated by law, in coordination with the elected institutions of trade unions.

Promotion of social dialogue

The Council of Creative Unions of Latvia gathering all 12 professional organizations is the body specifically concerned with mediation and appeals.

CONTINUING TRAINING AND FINANCIAL AID

Cultural education in Latvia is organized as following:

There exists 135 vocational training schools run by municipalities: 71 music schools, 32 art schools, 32 music, visual art and dance schools; 16 colleges (2 of them run by municipality); Latvian Music Academy, Latvian Art Academy and Latvian Culture Academy (higher education).

Professional art management courses and programs, as well as different professional workshops are organized by the Riga Dom Quire School, Latvian Cultural Academy and Latvian Art Academy.

Disabled artists

There are no financial aid schemes or training courses provided by the state for disabled artists, except some international pilot projects organized in cooperation with foreign

organizations.

ORGANIZATIONS

The governmental organizations working in the cultural sector are:

- Education, Culture and Science Committee of Saeima (the Latvian Parliament)
- and the Ministry of Culture

Source: Latvian National Commission for UNESCO, November 2003.