

About the employment cooperative Interim kultur

Intro

Interim kultur is a jointly owned infrastructure for administrating job assignments, employments, budgets and projects in arts and culture. Instead of running our own companies or associations, we have developed a solution together, starting from the desire to cooperatively promote better working conditions in an increasingly precarious labor market.

Based in Stockholm, Interim kultur consists of two legal entities. Firstly, a non-profit association that ensures members' democratic control over their joint organization, and secondly, a limited liability company which is owned by the association. The limited company manages and develops the business operations and has a special dividend restriction, which means that no profits can be transferred to the owners.

Although this legal construction is not usually defined as a cooperative, we have chosen to use this definition, on the basis that each member of the association has equal voting rights and the company's primary goal is member benefit.

The cooperative's purpose and goals

We, the members of Interim kultur, work freelance within arts and culture; as performers, artists, project managers, educators, and more. Currently, most of us are working in the performing arts field, although the boundaries between different artistic fields, of course, are fluid.

We run independent projects and activities, but have chosen to organize ourselves together around a common economic and administrative infrastructure; to share knowledge, resources and costs. Together we want to develop a reliable structure that helps facilitate and support our work and improve our working conditions. A structure that can strengthen the financial and legal trust of clients, institutions and funders, as well as create an attractive alternative for potential members.

We call Interim kultur an "employment cooperative", and it is our common tool. One basic idea is to preserve the role of the employed worker, and as such to maintain the right to the social safety nets. Interim kultur as an initiative has grown from a need to resist current developments in the precarious labor markets, where a growing number of people are forced into becoming entrepreneurs. The cooperative offers two main services to the members: 1) the member can organize their job assignments and employments through the cooperative; 2) members as individuals or in a group can run projects and apply for funding through the cooperative to fund cultural projects and continuous artistic activities.

The member services function for work in Sweden as well as internationally. Since artistic work is often geographically mobile, and since we are often engaged in short term projects and in diverse artistic constellations, Interim kultur constitutes a stable administrative platform where we can build a long term competence and coordinate our administration in one single structure. The organization can also act as a "greenhouse" where we can try out ideas and temporary collaborations, and learn

more about e.g. administration and budgeting, so that members who wish to do so easily could start their own cooperatives at a later point, for example based on a certain aesthetic practice or a specific constellation of people.

Our goal is to develop a jointly owned infrastructure that is built on solidarity and democratic values. We strive to develop a culture in which we do it ourselves together, and we use a share of our revenues to finance an administrative director, accounting, auditing, and other overhead costs, as well as for gradually building and developing the organization.

Background and development of the idea

The infrastructure of Interim kultur, with a specifically built accounting system, fair cost distribution formulas, document and budget templates, methods and forms for cooperation, has been developed over several phases since 2007.

The development of the infrastructure and the ideas of economic coordination first, 2007-2011, involved mainly two freelance dancers, who had grown tired of having many short term employers and contracts; a situation which creates a lot of time consuming administrative work. 2011, more freelancers were invited to try out, and develop, the idea on a larger scale. The interest and need was big, and today the association has more than thirty members, who use the structure to varying degrees; for sporadic and temporary assignments or for continuous work.

The development of the organization, in terms of economic turnover:

Year	Turnover	Legal form of organization
2011	SEK 1 154 000	Non-profit association (NPA)
2012	SEK 2 266 000	NPA
2013	SEK 3 419 000	NPA & ltd. company (with dividend restriction)
2014	SEK 5 968 000	Ltd. company (with dividend restriction)

The structure and its tools are developed continuously depending on the needs of the members and the scale of the activities. At the 2012 General Assembly of the non-profit association, we decided that we, during 2013, would start up a company wholly owned by the association, to manage and develop our business. Interim kultur AB (svb) – a limited liability company with a special dividend restriction – was founded in October 2013. Since the company started, the non-profit association is focusing on co-ownership and membership issues, ideological discussions, and developing the owner's directives to frame the direction of the limited company's operations, while the limited liability company handles all financial business.

Cooperative Principles

The foundation of Interim kultur is the non-profit association, where members can exert influence. The structure as a whole is inspired by the seven internationally established cooperative principles, that guide many cooperatives:

First principle: voluntary and open membership

Membership is open to anyone working in arts and culture, and who want to contribute to the development of the cooperative and follow the jointly established guidelines. The association takes no position on aesthetic issues and does not purport to represent a specific type of artists. Document templates and methods developed within the cooperative are available for anyone to use and modify.

Second principle: Democratic member control

Association members have equal voting rights. A primary goal is to develop and maintain an efficient infrastructure for communications, meetings and collaboration, where all members can follow and contribute the management and development of the cooperative.

A hallmark of our cooperative should be its administrative thoroughness and transparency, as well as equitable and fair sharing models for the common costs. Our administrator, bookkeeper and accountant are to ensure that the cooperative's accounting and management is done according to generally accepted accounting principles and are available for scrutiny.

Third principle: Members' economic participation

Each member continuously devotes a portion of their income as a member contribution. The rate is determined at the Annual General Meeting. These funds are intended to cover overhead costs and infrastructure development, as well as help to build the cooperative's capital.

Any profit will be used to develop the cooperative, and the members may in these cases vote on how the cooperative gains can best be used, e.g. for joint investments, further education, additional pension deposits, etc.

Fourth principle: Autonomy and independence

The cooperative will follow the principle of autonomy and independence, which means that agreements with other organizations, or any possible acquiring of external capital, should be done under terms that ensure democratic control by their members.

Fifth principle: Education, training and information

A fundamental motivation for starting the cooperative is to create a work situation where we can share our knowledge and improve our skills together. Our training happens partly through our interactions in daily operations and through events and activities, such as member meetings and manuals. Another type of educational effort is that we strive to jointly work on policies around issues such as gender equality and working conditions.

We communicate the advantages of cooperative organization forms to others, both as a way to recruit more members, and as an encouragement for other freelancers within the arts and other sectors to organize cooperatively.

Sixth principle: Cooperation among cooperatives

We collaborate with organizations with compatible ideological profile, and several of these are cooperatives. For example, we manage our capital in the social banks JAK Members Bank and Ekobanken. An important value for us is the principle of Open Source, which in our case means that all the templates and methods developed within the cooperative will be shared with other cooperatives, associations and non-members.

Seventh principle: Social Consideration

The basic idea of the cooperative is to take advantage of, share, and coordinate existing resources to create better working conditions for the members. We see this as part of a sustainable development for the cultural sector, and the precarious labor markets in general. Most of us operate internationally, and the cooperative constitutes a hub locally in Stockholm.

About membership in the cooperative

Membership and membership fee

Persons who wish to join can contact the administrator to get further information on how everything works, and then apply to the association board for membership. Anyone who supports the association's aims and its cooperative form granted membership. The membership fee, paid annually, is flexible on three different levels to take into account the members' economic situation and the degree of use of the cooperative's services – currently 120 SEK, 300 SEK or 600 SEK. The fee is intended primarily to finance the cost that it means to run the association, and to secure and build up capital for the association's ownership of the service company Interim kultur AB (svb).

Service fee, knowledge sharing and work contribution

Members and projects who have revenues in the cooperative contribute a percentage of their turnover to the common costs (currently 10%), as well as to developing the infrastructure and building the cooperative's capital. The common costs include e.g. administration and accounting, structural development, budgeting support, auditing, bank charges and post box.

Some jobs take more time to administer than what the member contribution can cover, while others take less. Funding applications that are granted help to pay for the work with applications that aren't. In this way the member contribution helps fund both the administration of our own jobs, the necessary common infrastructure, and other members who at a particular time can't fully cover their expenses.

For the central administration to work satisfactorily, members agree to follow established guidelines

regarding planning and information sharing. Each assignment and project involves new needs and issues, and the members' use of the infrastructure thus makes the infrastructure constantly evaluated and continuously improved. The goal is that all the information collected – and the expertise that is built – centrally, in turn should be made available to all members.

As the members continuously get more experienced in using the tools and workflow, the goal is to gradually reduce the workload, and the cost, of the central administration. This is the members' "work contribution", which contributes both to our own projects and to the business as a whole.

Member Services

Members can organize their commissions and employments via the association. The aim is to make it possible for workers to take assignments where the client wants to be billed, and where the workers themselves are unable or unwilling to invoice. The company bills the client, employs the worker and takes responsibility for the employee regarding insurance, retirement funds, taxes etc. Members can also merge several assignments into longer, continuous employments, as well as work abroad while being employed in Sweden. We comply with the collective agreement between Danscentrum (employers' union) and Teaterförbundet (workers' union). A major advantage of continuously collecting diverse assignments in the cooperative is that we don't have to chase documents, e.g. contracts and employer's certificates, from a wide variety of employers, and instead, have a continuous and primary employer that promotes good working conditions.

Through Interim kultur, individuals and groups can also run projects and apply for project funding through the association. The aim is to support artists or groups who for various reasons do not have a legal body through which to apply for project funding, e.g. graduates, practitioners who have not previously run their own business, or people who had been active in another country. For many of us, it's smarter to gather all our activities within one legal body, instead of everyone running our own organizations. Practically, this means that the company constitutes the administrative structure for the project, and functions as guarantor for that finances and administration are handled correctly, and supports the artist and project owner in relation to these areas. If the application is approved, the association takes a formal responsibility for managing the project in accordance with the funder's guidelines.

Concretely, the member services include:

- billing
- employment contracts and payroll administration
- support regarding budgeting and project applications
- tax and VAT administration
- signing contracts with an external parties
- budget planning for each member
- bookkeeping, accounting, yearly financial statements and audit
- gathering of information relating to taxation rules
- insurances and insurance administration
- specific administrative tasks, such as when working abroad

- development of infrastructure as a whole.

We strive to find a balance between common guidelines and flexible solutions designed according to the circumstances and needs of each individual member.

Membership and unemployment

Rules for unemployment benefits are constantly changing according to the current policy, and as the roles of the labor markets are transforming. Interim kultur is, to some extent, in a gray area in this matter, in that the members together have the possibility to affect the common infrastructure and organization as a whole. In our case, the members jointly own a non-profit association, a legal entity which in turn owns a corporation, which is their employer. This influence makes the member possibly deemed to be an entrepreneur/employer, and thus not eligible for unemployment benefit as a worker/employee.

According to current regulations, this should not affect the right to unemployment benefit as an employee. This means that it's very unlikely that the member/employee of Interim kultur would be considered being an entrepreneur or self-employed (which would make her loose the right to the benefit). However, these questions are always tried in each individual case by the unemployment fund.

We claim that the way we organize our work should be seen as a form of employment, although we have the ability to democratically influence our common structure. Interim kultur is transparent in how the organization is structured, and we have no intention to structurally exploit social security and welfare systems.

About the cooperative infrastructure

The association

At an Annual General Meeting, the members decide on the association's goals and priorities, owner's directives for the limited company, and appoints a board. At an Extra Annual Meeting, we decide on everything that is to be decided on the limited company Annual General Meeting.

Things that members want to propose or change are taken up as motions at the meeting, and sometimes we make simple online surveys and polls that can guide the work of the board and administration. Further, the members or the board can initiate and organize member meetings or public discussions.

The limited company

The board of the limited company appoints an executive director (CEO) who manages the daily operations and is in charge of developing the administrative infrastructure. The board is responsible, along with the CEO, for realizing the decisions taken at the Annual General Meeting, and to make sure the limited company is managed in a legitimate manner. At board meetings, the CEO presents the development of operations, the financial situation, ideas for continued development and so on.

One focus of the board, according to the owner directives, is to achieve a situation that balances the cost for the members, with good working conditions for administrative staff. The board also provides strategic advice to the CEO on issues around which development efforts should be prioritized.

Administration, accounting, auditing

Over the years, Interim kultur has developed a workflow with administration and management, accounting and audit with the objective to maximize the reliability, accuracy and security. An organization where many people and projects have separate posts in the accounting, while contributing equitably to the shared expenses, requires a relatively complex business system.

As the activities and finances are rather dynamic and unpredictable, and in order for the association to not have any large fixed costs, all services are outsourced to other companies, which work according to the cooperative's needs. In the current situation there is no employed administrative staff and the association has no office, although this might be desirable for the future. Today, the cooperative uses two main outsourced services:

- An administrative director and CEO, who does all the practicalities that the members don't do themselves. S/he is responsible for making sure all the commitments of the association are realized (i.e. billing, contracts and payroll management), offers support regarding project applications, taxes and VAT, contracting with external parties, financial planning, bookkeeping, accounting and financial statements, keeping updated information regarding taxes and insurances, as well as research and development of the infrastructure.
- An auditing firm who reviews the cooperative's management regarding finances, as well as regarding how members' decisions are carried out and followed up by the boards and the CEO.

Asset management and payment system

Fair economy, and economic democracy, is important for us. We have therefore constructed a financial structure based on ethical economic alternatives, i.e. banks – where we can manage our money, and pay systems where we can make transactions – that are in line with our cooperative values. This means for example that our money is managed in member-owned banks with transparent lending and a focus on social and ecological sustainability, and that we avoid the global financial market's opaque and problematic structures for reallocating funds according to capitalist principles. We manage our capital without interest, because we believe that the way interest rates

are applied in most cases perpetuates and reinforces economic inequality.

Currently, there is unfortunately no ethical bank where it is possible to collect all the services we need. For example, all our transactions are made through a large commercial bank, while the capital of the association is managed in interest free and member-owned banks.

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