

# Actors' Equity and Broadway producers reach tentative agreement

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The Actors' Equity Association and the League of American Theaters and Producers that represents Broadway's executives reached a tentative contractual settlement on Monday. However, according to a joint statement issued by both the union and the producers' league, all the details of the tentative accord have not been worked out and negotiators from both sides will be working to finalize the agreement.

Once this is achieved, the union's governing council will make a recommendation to the 6,000 members who will vote to either accept or reject a new four-year contract. The old one expired June 27.

Although Actors' Equity represents 45,000 actors nationwide, only those who have been in Broadway or national tour shows in the last eight years are eligible to cast ballots on this contract. More than 98 percent of these members had previously voted to authorize strike action.

Although there has been a news blackout from both sides, various leaks have indicated that the major sticking point to reaching an agreement was the wage scale of actors hired for the national tours. The executives want actors on the road to initially earn 30 to 40 percent less than those in a Broadway production. They would get a raise depending on the financial success of the road shows.

Over the years, producers have increased their use of nonunion actors on national tours. According to one estimate, the percentage of Equity actors on road productions has been reduced from 90 percent to 60 percent over the last 10 years. Actors' Equity was looking for an agreement that would either curtail or eliminate the use of actors on national tours who are not members of their union. The producers were always amenable to the idea of using only Equity actors, or more of them, if the union were willing to accept the

producers' proposed wage cut.

Based on various off-the-record comments, it appears that the executives have achieved their goal of obtaining a multi-tiered wage system for actors on the road. In return for this, it is not yet clear to what degree the producers will hire Equity actors for national tours.

Actors are under considerable pressure to accept a deal like this due to a very high degree of unemployment. As a result, in addition to a low annual income they also suffer from a lack of health benefits, another major issue between the two sides. With less Equity actors working on national tours, the producers have been able to contribute less money to the union's health insurance fund. Actors must now work 20 weeks a year instead of the previous 10 weeks to be eligible for the union's health care plan.

Before this general tentative agreement was announced, Actors' Equity had settled with one musical, "The Boy from Oz," and attempted to sign individual agreements with other Broadway productions. The president of the union had indicated that he was attempting "not to have a work stoppage on Broadway or on the road." The League of Producers, however, immediately responded by issuing a declaration that no other theaters would make further individual agreements with the union.

It appears to be the financially weaker productions that were most willing to sign separate deals. A number of Broadway producers have complained that their shows are walking a very thin line between staying economically afloat and going under, and they could not afford the financial strain of a strike. Despite the fact that this is the season when tourists normally come to see Broadway shows, the producers' league has stated that ticket sales this summer have thus far have been significantly low.

New York's Mayor Michael R. Bloomberg and other city officials had been closely monitoring the dispute because of the enormous economic impact a walkout would have on the city. According to one of the studies regularly conducted by the League of Producers, Broadway's total economic contribution to New York City in the year from June 2002 to June 2003 amounted to \$4.3 billion.

On Monday, the mayor spoke to both the union and the executives urging them to settle, and offered to provide them with city facilities and labor mediators to help them come to an agreement. When the tentative contract was announced, Bloomberg's press secretary said that the mayor was "very pleased."



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