American Federation of Radio and Television Artists approves new contract on terms set by media conglomerates

Dan Conway, David Walsh
10 July 2008

Click here *to download this article as a leaflet.*

Officials of the American Federation of Television and Radio Artists announced Tuesday that their membership has ratified the tentative contract reached with the Association of Motion Picture and Television Producers (AMPTP).

The three-year contract was approved by only 62.4 percent of those voting, despite the unanimous backing of the AFTRA leadership and a strenuous campaign waged by the union, and the media. This less-than-enthusiastic endorsement signals that a broad layer of members is clearly dissatisfied with the terms of the agreement; at the same time, there is little confidence that the AFTRA leadership or any other section of the Hollywood labor officialdom could lead a successful strike.

In essence, the AFTRA bureaucracy caved in to management's demands and accepted a contract, like those negotiated by the Writers and Directors Guilds earlier this year, that in return for a small wage increase, accepts the AMPTP demands on DVD compensation and New Media pay and residuals.

The agreement, while providing a 3.5 percent increase in minimum compensation plans (less than the current inflation rate) and a 1.5 percent increase in health and retirement fund contributions, does not offer any increases in DVD residual payments, nor does it prevent new clauses in the AFTRA contract (the same clauses which may also appear in the Screen Actors Guild contract), which essentially force actors to advertise products and services within the course of a given television show or film broadcast over the Internet, without any compensation.

Under the terms of the current contract, AFTRA members will only receive minimal compensation from downloadable Internet programming, or what is known as "Electronic Sell-Through." AFTRA performers on a given program would collectively receive only a maximum of 10.5 percent of Distributor's Gross Receipts from programs distributed using that technology. As Distributor's Gross Receipts are defined as 20 percent of the total receipts received by the distributor, this would mean that AFTRA performers would collectively receive only 2.1 percent of the total revenues generated by a given production.

In regard to Ad Supported Streaming content, the current contract stipulates that any television program may be streamed residual-free for 17 consecutive days after the initial broadcast. While AFTRA performers would receive modest residuals thereafter, many industry analysts have observed that the majority of viewers watch their respective shows during the initial 17-day window and thus many AFTRA members would not receive a dime from the reuse of their work in this format.

The terms set for Ad Supported Streaming and Electronic Sell Through are essentially the same as those agreed to by the Writers Guild (WGA) earlier this year after its 100-day strike.

In recent decades, AFTRA and the Screen Actors Guild, who share some 44,000 members, have negotiated jointly. AFTRA leaders broke with SAG this spring and quickly reached a rotten deal with the studios and networks. The Screen Actors Guild leadership has been holding out for increased residuals on DVD sales and clauses that would ban the scripting of advertisements into television shows without compensation.

The AFTRA ratification process was complicated by the active opposition of the SAG leadership to the deal. The larger of the two unions, SAG mounted an email and phone campaign to convince the overlapping members to vote against ratification, in order to give SAG, leaders argued, greater leverage during the course of its negotiations with the AMPTP. The campaign has caused bitter conflicts between the two union leaderships, with AFTRA President Roberta Reardon categorizing SAG's efforts as an "unprecedented disinformation campaign aimed at interfering with our ratification process."

The AFTRA leadership's campaign to win ratification of

© World Socialist Web Site

the contract with the AMPTP was cynical, calculated and right-wing.

Playing on legitimate concerns over the state of the economy, especially in the wake of the bitter WGA strike from which many in the industry have still not recovered, AFTRA leaders denounced the "political" (read 'left-wing') agenda of its SAG critics, and claimed that the tentative contract "immediately puts real money in performers' wallets."

In fact, it will put very little real money in the majority of performers' wallets, immediately or otherwise. AFTRA leaders blackmailed members with the argument that if they rejected the contract, a costly strike would ensue, which they, obviously, were not prepared to lead. In essence, the leadership was saying: if you vote this down, you're on your own.

Under those conditions, that nearly 40 percent of the membership was prepared to reject the deal is a rebuke to the AFTRA leadership and, more significantly, an indication of the growing discontent building up within wide layers of the working population, as job cuts, rising fuel and food prices and falling house prices hit home.

Now having succeeded in its talks with AFTRA, the AMPTP will not accept anything less in its talks with SAG than the agreement it has effectively imposed on every other union in the industry, which includes no increases in DVD residuals, the 17-day window for ad-supported streaming and a paltry residual rate for electronic media outside of the 17-day window.

On June 30, the AMPTP presented SAG with what it called its "Best and Final Offer," effectively declaring that all negotiations were over.

There is every reason to believe that the SAG executive will now essentially fold up its tent, despite verbal outbursts, and reach an agreement with the studios and networks, on the employers' terms. There is no difference between SAG and AFTRA leaders on the fundamental issues: both accept the profit system and the conglomerate stranglehold of the entertainment industry and support the Democratic Party. The disagreements are tactical and secondary.

An indication of the SAG leadership's perspective is its proposal that Peter Chernin, president of Rupert Murdoch's News Corporation, and Disney CEO Robert Iger, two of the biggest sharks in Hollywood, step in and "save" the current negotiations.

The experiences of the past nine months, including the WGA strike and the contracts reached by the directors' and actors' unions, need to be reviewed critically by those working in the entertainment industry.

Workers at every point revealed a determination to fight for better conditions. They also demonstrated a growing hostility to the fantastically wealthy elite that runs this country and the film and television world in particular.

Each of the confrontations between the various sections of professional workers and the studios and networks had its distinct characteristics. The writers' strike was conducted as a traditional trade union struggle, something nearly extinct in the US, with a considerable participation by the membership. The DGA leadership helped sabotage that strike by signing an early agreement with the employers. AFTRA broke ranks with SAG and reached a deal, but, as the recent vote indicates, has incurred the wrath of a good portion of its members. SAG now finds itself isolated and the leadership will come to terms, blaming AFTRA members and others, it can be predicted, for having stabbed them in the back.

Despite the variations in the process, the contracts reached will be similar on fundamentals: the giant companies made minor concessions, perhaps more than they hoped to, in some cases, but attained their real goals. Profits from the sale of DVDs have been protected and the door to making billions on the Internet has been opened, and the various groups of artists will be shut out, for all intents and purposes.

In fact, trade unionism, even of the militant variety, cannot address the economic and artistic questions facing entertainment workers.

On the one hand, by various means, the conglomerates are cutting costs at the expense of jobs and living standards and intend to press ahead with their attacks. Over the next three years, the length of the current contracts, there will be fewer and fewer decent jobs in this field and incomes will continue to drop for the overwhelming majority.

On the other, the quality of mainstream American films and television programming is reaching new depths. Cartoons, comic book heroes and "reality" shows dominate the large and small screens. Integrity, a social conscience and simple self-respect are going to throw great numbers of writers, directors and performers into crisis—or ought to.

The fight for improved economic and intellectual conditions must bring entertainment workers into a struggle against the profit system, and that requires a far deeper, i.e., socialist, understanding of the objective roots of the situation they confront, along with the entire working population, both in the United States and internationally.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site