New Met Opera contract sets precedent for further givebacks

Fred Mazelis
20 August 2014

A tentative contract agreement was announced between New York City's Metropolitan Opera and the unions representing its orchestra and chorus members early Monday morning. The deal came after an all-night negotiating session, involving management and both the American Guild of Musical Artists (AGMA) and Local 802 of the American Federation of Musicians (AFM), that went about six hours past the latest deadline for a threatened lockout of the Met musicians.

The details of the proposed four-year deal were not immediately released, but most of the major provisions were revealed to the press by members of the unions' bargaining committee.

Peter Gelb, the opera's general manager, had pointed to rising deficits and demanded pay cuts of between 16 and 17 percent from the musicians, choristers, stagehands and others who make the company's productions and performances possible. The proposed contract winds up giving Gelb close to half of these demands, including a 3.5 percent cut immediately and another 3.5 percent in six months, which may come in the form of cuts in benefits or through other savings instead of pay, if that can be mutually agreed.

The employees are promised a 3 percent wage increase to partly make up for the givebacks, but this is not scheduled until the last six months of the agreement. The deal also includes the possibility of bonuses or income-sharing, if certain goals are met.

In addition, the contract leaves current health care, pensions and work rules untouched, at least for now. On this, however, the *Wall Street Journal* reports that, "the parties agreed to revisit those issues in the fall and could make changes if both sides concur."

Another major provision, and one that is being praised by the unions as a vindication of their position that the opera's fiscal difficulties have been caused by poor management, is the agreement by Met management to reduce expenses to $11.25 million annually over the next four years, in addition to the savings from the pay concessions. This will bring total savings to $90 million, in the context of the current annual budget of $327 million.

The Met's opera season, scheduled to begin September 22, is now expected to proceed as planned. The third major union involved in negotiations, representing stagehands and other production personnel, was engaged in talks and facing a new deadline of midnight August 20, but was expected to follow the general pattern agreed to by the AGMA and AFM.

Eugene Keilin, the financial analyst and former head of the Citizens Budget Commission called on to review the opera's financial position when the lockout originally proposed for August 1 was delayed, is now to continue as a paid "expert" who will oversee the supposed "equality of sacrifice" contained in the agreement. Management's commitment to make other cuts in spending, including in areas such as rehearsal time and on other matters, is to be monitored by Keilin.

The chairwoman of the Met Orchestra's negotiating committee, clarinetist Jessica Phillips Rieske, said that Keilin had "agreed with our assessment that in addition to our agreeing to wage reductions, Met management needed to look at its own budget, introduce important efficiencies and curtail unlimited spending."

"The contract includes an unprecedented mechanism for greater financial oversight of the Met's spending going forward," she added. "We hope it will lead to better collaboration in pursuit of real efficiencies."

The new contract, in fact, amounts to an acceptance and ratification of the precedent for concessions in the classical music world and cultural areas more broadly.

If the musicians at the biggest musical institution in the US are forced to accept givebacks, it will be argued, there is no point in resisting them anywhere else. The issue will be not whether, but how much is to be handed back to “save” orchestras, opera companies and other cultural organizations.

At the same time, the new oversight mechanism introduced into the opera company’s finances is the opposite of genuine democratic control. It appears that, at least in this specific case, the ruling establishment in New York City has concluded that an outside monitor with Wall Street credentials is necessary to safeguard the opera company, which is a significant factor in the tourism industry, as well as the city’s overall attractiveness and image. Keilin, the former head of the Municipal Assistance Corporation during the city’s near-bankruptcy almost 40 years ago, enjoys the confidence of the opera’s board of directors as well as the corporate and financial establishment as a whole.

The immediate outcome of the Met Opera negotiations reflects the views of both the unions and management that government subsidy of opera and other cultural venues is neither necessary nor desirable. There is no serious talk of public support, lower ticket prices, massive educational programs and outreach, or any other fundamental changes in the field of grand opera. Both the unions and management are committed to a status quo that will not be sustainable. The problems will not disappear after this deal. The survival of this art form, as future events will reveal, is bound up with broader social issues.