Writers' Guild of America members authorize strike

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An overwhelming 96.3 percent of the 6,310 members of the Writers' Guild of America who cast ballots have voted to authorize the WGA to carry out a strike against the Alliance of Motion Picture and Television Producers (AMPTP). The WGA could call a strike as early as May 2, when the current labor agreement covering 12,000 Guild members on the West and East Coasts expires.

The union released the results of the weeklong voting on the eve of resuming negotiations with the AMPTP, which has remained steadfast in its determination to exact more concessions from writers.

Support for the strike is even higher than the last time a vote was cast in 2007, when 90 percent of almost 6,000 writers voted to walk out. Writers fought a determined battle for three months but the struggle ended with a February 2008 capitulation by the WGA, which accepted various loopholes that allowed the film and TV producers to prosper at the expense of writers.

As one veteran writer told the *World Socialist Web Site*, "As reported, overwhelming approval of a strike authorization vote. The context: soaring company profits from scripted programming across all platforms, while writers' compensation plummets."

One of the principal issues in the current struggle is the writers' health care plan. In the 21st century, while corporations increase their wealth to unprecedented levels, writers are relying on depleted funds for this basic need. The predicted deficit of the union-controlled health fund is $135.5 million through 2020.

The AMPTP announced it would contribute $45 million, while the writers must pay additional contributions in the amount of $10 million. Worse yet, the $45 million offered by AMPTP would come from a wage diversion, meaning it would come from the insulting annual wage increases offered by the corporations. There is no mention about how the remaining $80 million shortfall would be paid.

The WGA has quickly sought to accommodate the dictates of the major corporations by offering $5 million from the writers' pockets, while union officials fulminate about the unprecedented profits the producers are reaping. In addition, the distance between the shamefully low two percent wage increase offered by AMPTP and the three percent demanded by the WGA is nominal at best and can no doubt be offset through negotiations, leaving writers' income at a historic low in the face of fast-increasing living and health care costs.

The pension plan is currently considered "healthy." Despite the enormous uncertainties of financial markets, the WGA has dropped its demand that AMPTP contribute an infusion to reinforce the future stability of the fund.

Episodic fees are also part of the dispute, but once again the difference between the WGA and the AMPTP comes down to respectively a three-week fee amortization formula versus a 2.6 coefficient. A similar situation pertains to writers' holds and exclusivity, where the difference is coming down to whether writers earning well above $200,000 a year would have the option of being released from exclusivity under certain conditions.

Under the present "exclusivity" terms, a writer is bound to a studio and can be restricted to working for half a year or less while they wait to see if their show—and their contract—will be renewed. During this hiatus writers are not paid and are not allowed to staff another show, write a pilot or produce one, or even write a feature because the studios strictly enforce their exclusive rights over the writer.

On the question of Pay TV residuals, the WGA has already dropped its initial demand, which was simply to match the better formula of the Directors' Guild of America (DGA). Now, the differences between the union and the corporations are reduced to a few percentage points. The WGA is also demanding that the minimums for cable and SVOD (Streaming or Subscription Video on Demand) be raised closer to the network minimums.

The 2008 agreement set the stage for the current crisis: despite a record $51 billion in profits claimed by the major companies last year and a doubling of those profits in the last decade, writers have suffered a steady income decline. It is reported that in 2015-16 the average salary for TV writers-producers dropped by 23 percent.

Additionally, the development of new media, especially Internet streaming, has translated into a reduction of creative fees and residuals when compared with traditional broadcast. This trend, common to music, film and visual arts, is the result of a corporate strategy that exploits new technology for the extraction of a higher share of surplus value, leaving writers and creative professionals with crumbs.

For example, SVOD is the fastest growing method of content distribution. Global revenues went from $6 billion in 2013 to nearly $14 billion last year.

Writers are being denied access to the wealth they produce. To add insult to injury, corporate executives are boasting about soaring profits to their rich investors and shareholders.

Comcast CEO Brian Roberts declared, "we will have three of the most profitable years in the 100-year history of Universal Pictures, last year being the single most profitable year in their history." Roberts' net worth is estimated by *Forbes* to be $1.73 billion.

Similarly, Leslie Moonves, CEO of CBS, boasted, "our profits have gone up considerably. All these technology initiatives that supposedly were going to hurt us have actually helped us. SVOD has helped us. DVR has helped us…" Moonves received a pay package of $69.6 million last year.

The decline of writers' income is affected by a number of factors: shorter seasons, writers' exclusivity agreements, low residuals on reruns and different tiers of script fees on growing industry areas.

In 2008, when the WGA shut down the previous strike, *Variety* boasted that "the money to be made through the hard-fought new-media residuals is not exactly eye-popping." It anticipated that a television writer "will earn about $1,400-$1,600 a year for each streamed episode on which he is the credited writer—while some showrunners may have lost as much as six figures from unproduced episodes."

Similarly, the *Economist* noted that the WGA "made other concessions too: they for instance dropped their demand for a higher share of money from DVDs. They also gave up trying to get reality television and animation covered by union terms. That is important: being able to fill holes with reality shows protected the media companies financially during the strike."

The negotiations so far make it clear the WGA is preparing another deal that will accommodate the rapacious needs of corporations. The 2007-2008 struggle should serve as a lesson. Considering the relentless campaign by the media establishment warning that a possible strike would cause billions of dollars in losses, it is quite possible that the strike, should it even happen, will be used as no more than a negotiating chip before the struggle is called off.

If a struggle is to be waged the initiative must be taken up by writers themselves. This means rejecting the bankrupt strategy of the WGA and other unions, including their craven support for the Democratic Party and the capitalist profit system, and appealing to the broadest sections of the working class to wage a common fight to defend the social rights to health care, pensions and a secure and good-paying job.