Entertainment industry in North America devastated by layoffs

Penny Smith
23 March 2020

Due to the deadly coronavirus pandemic, the entertainment industry across North America has effectively shut down, leaving hundreds of thousands of already precariously employed workers suddenly without an income.

Over the last few days, all the major studios have announced widespread production closures. On March 13, streaming giant Netflix announced the shutdown of all scripted film and television production in the US and Canada for two weeks. Disney+ and Apple TV+ have halted all live-action productions indefinitely. Warner Bros. has shut down some 70 series and pilots "currently filming or about to begin," according to the studio, and Amazon Original has paused on all its series currently in production. US-based networks NBC and FX shut down production of some 35 shows and four shows, respectively.

In Los Angeles, a raft of dramas, sitcoms and talk shows have canceled or suspended production, affecting over 200,000 workers. In Canada's main film hub of Toronto, virtually all production had already been suspended, in total affecting 30,000 jobs. Forty-eight out of 51 productions have been shut down in British Columbia, mainly in the Vancouver area, affecting more than 20,000 workers.

"Everyone is in a state of shock," a key assistant location manager who was working on a television show in Atlanta that opted to end its season early told *Variety*. "We have no idea when things will start back up again."

All sections of the entertainment industry have been impacted, including scheduled theater performances, cinematic releases and industry events. On March 12, Broadway theater in New York, notorious for extremely high levels of unemployment and poverty wages, announced it was shutting down after New York Governor Andrew Cuomo ordered a statewide ban on gatherings over 500 people. On March 19, Montreal-based circus performance company, Cirque Du Soleil, announced it was laying off 4,679 workers.

Movie theaters, where many positions are part-time and the average worker makes the minimum wage, have mostly closed down. Two of the largest theater chains in the US, AMC Theaters and Regal Cinemas, have shut down nationwide after ticket sales plunged to the lowest in 20 years. Last Tuesday, Cineplex announced the temporary closure of all 165 theaters across Canada, followed by Landmark Cinemas, the country's second-largest movie chain with 46 theaters.

The entertainment industry is a growing segment of the gig economy that almost by definition offers little or no job security. Live theater wages are cut-rate and the unemployment rate extremely high. Many workers typically rely on second jobs such as serving in a restaurant, many of which are now closed. An actress who works as an usher on Broadway told *Variety* that "my co-workers shared my anxiety, but we all knew this was not a fear of contracting the coronavirus, it was financial. 'How am I going to make rent this month?' became as common as 'hello' in the course of 24 hours."

There have been few guarantees in the precarious film and television business either. The chaotic and frenzied production environment means workers are hurried in and out of employment, often with contracts that don't extend beyond that day or that week. The studios increasingly rely on an expanding base of on-demand, low-wage production assistants and laborers.

An artist working in costly Vancouver, whose production closed down last week, told the WSWS, "I am not breathing easily as the coming weeks and months loom of financial commitments with no substantial and affirmative idea of what the financial supports will look like ... [I have] feelings of uncertainty, and overwhelming worry about the big 'what ifs' as this pandemic unfolds daily."

Another Vancouver worker, whose production was still open and operating with a skeleton crew as of last week, told the WSWS, "I'm still working because I can't pay rent otherwise. After this [production shuts down], there's nothing."

Workers in the communal setting of the entertainment industry are at great risk of exposure to coronavirus. The recommended practice of "social distancing" is a virtually impossible measure to take. Theaters and cinemas are transient, congested and poorly ventilated spaces. Film and television production houses are often like mini-villages populated by thousands of workers working in close confines, and there are dozens if not hundreds of cast and crew interacting on a single set during shooting. Fatigue and stress, which compromise the immune system, also render workers more vulnerable to infection.

Despite the serious threats posed to entertainment workers' health and well-being posed by the coronavirus, many film and television productions were slow to react. In Georgia, where more than 5,000 film and television crew are employed, it continued to be "business as usual," according to a state official, despite the fact that there had already been 31 confirmed and presumed coronavirus cases reported in the state, including one death. Those figures for Georgia have since grown to 555 confirmed cases and 20 deaths.

© World Socialist Web Site

On March 10, the *LA Times* reported there had been permit cancellations in Los Angeles, even though the total number of coronavirus cases in Los Angeles County recorded by public health officials that day was 17. On-location filming has since been shut down, as cases have climbed to 351 across Los Angeles County, including four deaths.

In Chicago, film permits were still being issued last week, ignoring the fact that a crew member working on the Fox series *NeXt* tested positive for coronavirus on March 10. The crew member had been working at Cinespace Film Studios, a massive 30-stage production facility operating with at least six productions. Only a week and a half later, Illinois state imposed a "stay at home" order after the state recorded over 700 cases. The Chicago Film Office has since temporarily stopped issuing film permits.

Film and television productions in New York City were still active as of March 13, undeterred by Mayor Bill De Blasio's declaration of a state of emergency and admission that the situation in the city was "radically changing." A matter of days later, New York state was declared the "epicenter" of the coronavirus crisis in the US as cases soared beyond 11,000.

Netflix has announced a pathetic $100 million fund to help its international workforce, small change considering the almost $8 billion in revenue the giant media-services provider and production company generated last year. Netflix's pledge of two weeks' pay to their own casts and crew members affected by the production suspensions will have little effect in the long-term. According to Dr. Amy Greer, Canada Research Chair in Population Disease Modelling at the University of Guelph, the population may be faced with up to eight months of "aggressive social distancing."

The shutdown of film and television production is a global phenomenon. The Indian film industry, one of the largest in the world, announced a suspension of all film, television, advertising and web series as of March 19. According to the *Hollywood Reporter*, the India Motion Picture Producers' Association "also advised all Indian film crews currently at work on projects overseas to return to the country within the next three days."

In the UK, reports the *Guardian*, "the situation for 'below the line' crew appears equally catastrophic. Bectu (Broadcasting, Entertainment, Communications and Theatre Union) estimates around 50,000 industry freelancers will have lost their jobs as a result of the pandemic."

In the face of increasing closures of cinemas and production delays internationally, the film industry stands to lose at least $20 billion, even in the short-term. Productions that were at the beginning stage or at the midway point will claim losses against insurance, but for those companies without insurance that cannot absorb the cost of the disruptions, production is continuing. This is the motivating factor behind the studios' decisions to close or not close a given production, not the overall threat posed to their crews' general health and safety.

According to *Forbes*, the film industry made a record-breaking $100 billion last year. Today, a single blockbuster film can generate $1.5 billion or more at the international box office alone. But no matter how enormous the profit raked in by the studios, the conditions for workers worsens, with low wages, unemployment, underemployment and increasing reckless disregard for worker safety.

Earlier this month, as news broke of widespread and sudden job losses across the entertainment industry, Disney shareholders endorsed a $47.5 million 2019 pay package for former CEO Robert Iger, a decline from 2018, when he was paid $65.6 million. In late February, Iger stepped down as head of Disney. Now, various voices are claiming coronavirus could well be the reason Iger resigned. Analyst Neil Cybart, for example, suggested that "Iger's surprise resignation as Disney CEO was related to coronavirus. He stepped down on February 25th. Disney had already seen the coronavirus impact in China. They knew Japan was next."

In relation to the pandemic, Disney has explained: "The impact of the novel coronavirus ('COVID-19') and measures to prevent its spread are affecting our businesses in a number of ways. We have closed our theme parks; suspended our cruises and theatrical shows; delayed theatrical distribution of films both domestically and internationally; and experienced supply chain disruption and ad sales impacts."

The entertainment industry unions have reacted to the coronavirus crisis with their typical paralysis and ineptitude. The feeble initiatives such as temporary membership dues amnesty will hardly improve things for workers faced with long-term unemployment and poverty. The unions' response to the sudden job and wages loss of their workers is to plead with the governments in the US and Canada for emergency relief.

The needs of working people must take absolute and unconditional priority over all considerations of corporate profit and private wealth. It is not a matter of what the ruling class claims it can afford, but what masses of people need.

The Socialist Equality Party advances the demand for accessible and universal testing and free treatment for all those infected, and an emergency program to expand health care infrastructure. The immediate closure of non-essential plants and other workplaces is essential, with full income for workers affected, including those working in the entertainment industry. No worker should be expected to place his or her life in danger, and should be financially compensated for loss of income.

We call on all workers and young people to join this campaign and support this fight. The building of an international socialist and revolutionary movement is the central question of our time. It is a matter of life and death.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site