

Florida Disney World workers vote overwhelmingly to reject company's paltry "best offer"

Patrick Smith
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Disney World workers in Orlando, Florida, members of Florida theme park union the Service Trades Council Union (STCU), voted down last week what management called its last and best offer. Union officials had called for rejection, apparently realizing the deal could not pass. Ninety-six percent of those voting said "no."

Negotiations have been ongoing since August. Yet despite management's intransigence and the massive contract rejection vote, the STCU has not set a strike deadline or scheduled a strike authorization vote, a clear indication that it has no intention of waging a serious fight.

The rejected "best offer" included a \$1 raise for all full-time employees. Based on the current starting wage of \$15 an hour, that would be a 6.5 percent raise, an actual pay cut taking inflation into account. The union is asking for an immediate \$3 an hour raise, still totally inadequate considering the cost of living. *Forbes* reported that last month workers at Orlando's Orange County Convention Center agreed to increase the minimum wage for food service workers from \$13 to \$18 an hour and to add a pension plan for about 150 of the 800 workers covered by the deal.

The STCU consists of six unions. Those covered by the agreement include stage technicians, bus drivers, laundry workers, monorail operators, housemen, guest services, food workers and a host of other staff needed to operate the theme park.

The contract covers all full-time workers at the theme park, representing 40 percent or about 32,000 workers at Disney World. Currently, the park has 75,000 workers, including full-time and part-time, hourly and salaried staff. That is comparable to Disney World's

pre-pandemic employment levels. The part-time workers have no union representation or benefits and get paid \$15 an hour or more, depending on how long they have worked for the company.

This is a "strong and meaningful offer that far outpaces Florida's minimum wage by at least \$5 an hour," said Andrea Finger, manager of External Communications at Walt Disney World. According to Glassdoor, her position pays an average of \$121,000 annually. The minimum wage in Florida is \$11 an hour, or \$22,880 annually, a below-poverty wage in an area with some of the highest housing costs in the US.

CNN spoke to Jonathan Pulliam, who has been working at Disney World for about five years. "Me loving it, that's not enough to pay the bills," he said about his \$15.85 an hour salary that usually earns him about \$28,600 per year. He continued, "I'm filling my car three times a week," he said. "I would love to ask these execs if they could get by on \$1 an hour more. It's disheartening. They don't have to decide to eat or get gas." Rent for a typical apartment in the Orlando area costs about \$1,800 per month, according to Realtor.com, the second fastest pace of increase of any US market. That is \$21,600 per year alone.

Like many Disney workers, recent news reports about fired former Disney executives who left the company with huge pay packages, such as ex-Disney CEO Bob Chapek, who received a \$20 million severance package when the board fired him in November, angered Pulliam. Geoff Morrell, who received \$10.3 million for three months of service overseeing corporate and public affairs, took in a daily wage of \$100,000.

Current CEO Robert Iger has reported a net worth of \$350 million. He returned to the company after a two-

year hiatus because his hand-picked successor Bob Chepek “was no longer the right person to serve in the CEO role,” according to the board of directors. Chepek was fired after the board voted to extend his contract for three years in June 2022.

Revenues went up 36 percent, and profits doubled for Disney’s theme parks from the previous fiscal year. Revenue and operating profits are above what the company posted in the fiscal year 2019, before the pandemic, with a 12 percent rise in revenue and a 10 percent gain in earnings.

The company recently announced it would lay off 7,000 workers, or 3 percent of its 220,000-person workforce. The cuts are part of a \$5.5 billion restructuring effort aimed at increasing shareholder value and reducing operating costs. The layoffs cover Disneyland Resort theme parks in Anaheim, California; Walt Disney World in Orlando, Florida; Disney cruise lines and their international theme parks.

Disney will also be cutting marketing and technology. Since the launch of the Disney+ channel in 2019, the company has lost \$9 billion in that sector, which it is trying to offset through increased earnings in other areas.



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