



A PRODUCERS & ADVERTISERS GUIDE TO

Union Grievances & Claims

Everything you need to know about managing and mitigating warnings and fines from talent and crew unions while filming.

01 YOUR ROADMAP TO NAVIGATING UNION GRIEVANCES AND CLAIMS

Navigating the intricate world of talent and crew union regulations in the film industry can often feel like treading through a complex maze.

Whether you're a new producer on the block or a seasoned professional, **chances are you've faced or will encounter your share of union-related challenges.**

This comprehensive guide is crafted to not only jumpstart your journey but also to **chart a clear path through the myriad of union standards and regulations.**

Consider this eBook your go-to guide, a resource to keep close at hand, ensuring you're prepared whenever union-related challenges emerge in your production journey.

In these pages, you'll discover:

- **Key Grievances and Claims:** Understanding the common and not-so-common issues that can arise with talent and crew unions.
- **Navigational Strategies: Step-by-step insights** into managing union relationships and maintaining compliance.
- **Preventative Measures:** Proactive approaches to avoid grievances and foster positive union interactions.
- **Essential Tools and Resources:** Curated tools and resources to keep you informed, compliant, and ahead of potential issues.
- **Real-World Examples:** Anecdotes and scenarios illustrating common union challenges and solutions.
- **Expert Advice: Tips and tricks** from industry veterans to transform you from a reactive problem-solver to a proactive union-savvy producer.

02 THE BASICS

What is a union grievance or claim?

Grievances, claims... What's the difference?

A union grievance or claim is filed directly from crew, and it can be filed for a number of reasons, such as:

- Late payments
- Benefits weren't contributed to employees
- Not abiding by union contract terms

When a crew member reports to their union, they file a **grievance**. When a union talent member reports to their union, they file a **claim**.

How will they be issued?

Once a crew or talent files a complaint with the union, typically you will **receive a warning** via email or a phone call from the union.

This usually takes place prior to a formal grievance or claim being filed.

At this point, this is more of a conversation for unions to get a scope about what's going on within production and how the source of the complaint might have gotten overlooked.

This inquiry comes from one of the locals sending an email asking questions about a potential term being breached.

Pro Tip: Mitigate Risk By Hiring Professionals

Due to their extensive contract knowledge and established relationships with union reps, working with a third-party union signatory to manage these conversations can make it less likely to escalate to a grievance.

03 STEP BY STEP: WHAT TO DO WHEN YOU RECEIVE A GRIEVANCE OR CLAIM?

If for whatever reason you don't immediately work with the union to mitigate the complaint, the initial warning will escalate to a formal grievance or claim. It's highly encouraged to comply with the unions as soon as possible to avoid more work and extra costs. But if it escalates for any reason, here's a step-by-step for what to expect next.

Step 1: Pre-Grievance Notification

The first step begins when the grievance or claim has been filed; the **unions will send an initial letter or email.**

If the union verifies a breach, they will **deliver a grievance letter** to the signatory and information request to review and analyze for any additional issues.

At this point, you can **resolve a grievance or claim through a settlement.**

This is a formal acknowledgement of breach, and your company agrees to settle the grievance or claim by paying the necessary wages plus benefits.

Pro Tip: Mitigate Grievances Quickly

To avoid production disruptions or penalties, don't let grievances go beyond this point. You will always settle for less than what you will pay during arbitration.

03 STEP BY STEP: WHAT TO DO WHEN YOU RECEIVE A GRIEVANCE OR CLAIM?

Step 2: Grievance Letter

If your company fails to address the grievance or claim letter by a particular date, an escalated **letter threatening arbitration will be sent to the signatory.**

This letter will outline specific deadlines by which the signatory needs to settle the grievance by.

Step 3: Arbitration

At this point, **lawyers will become involved from both parties and it can get very expensive.**

The legal counsel of the union will select an arbitrator to review the case and select an outcome.

04 THE COMPLETE BREAKDOWN: TYPES OF GRIEVANCES AND CLAIMS & PENALTY COSTS

Grievances can range from **common issues** like wage disputes and working conditions to **more specific concerns** such as jumping budget tiers and failure to follow staffing requirements.

Each type of grievance **carries its own set of penalties**, which can have significant financial and operational implications for your production.

It's not just about the immediate cost; these grievances can **affect your reputation and your ability to work smoothly with union talent and crew in the future.**

By familiarizing yourself with these potential pitfalls, you can better **prepare and ensure compliance with union standards**, thereby fostering a positive and productive working environment for all parties involved.

04 GRIEVANCES PENALTY COSTS

1

Wage Disputes

This includes **non-payment, late payment, or underpayment of wages**. SAG-AFTRA sets minimum wage rates for its members, and failure to comply with these rates can lead to grievances.

PENALTY

Penalties can include payment of back wages owed, potentially with interest, and additional fines.

EXAMPLE

A producer fails to pay an actor the agreed-upon wage for a week's work. The actor files a grievance, and the producer is required to pay the overdue wages plus interest.

2

Working Hours & Conditions

Violations related to excessive working hours, insufficient breaks, holiday pay or failure to provide a safe and healthy working environment. If you require members to work overtime or on holidays, you must pay them according to the contract terms listed within your union agreement. If you don't, you may be subject to a grievance.

PENALTY

Penalties may involve paying overtime or double time wages, and fines for violating labor laws.

EXAMPLE

A production crew is forced to work 16 hours continuously without adequate breaks. The union files a grievance, leading to the producer paying double time for the extra hours worked.

3

Contract Breaches

This includes not adhering to the terms of a contract, such as not providing promised roles, not respecting contract durations, or changing the terms of work without mutual consent.

PENALTY

Compensation for losses incurred by the affected party, plus potential additional damages.

EXAMPLE

An actor is contracted for a leading role but is later demoted to a minor part without consent. The actor files a grievance, resulting in the producer compensating for the breach of contract.

04 GRIEVANCES PENALTY COSTS

4

Residuals & Royalties Issues

Failure to pay residuals or royalties as per the guidelines set by SAG-AFTRA for repeated, syndicated, or digital use of a production.

PENALTY

Payment of all outstanding residuals and royalties, possibly with interest and additional fines.

EXAMPLE

A TV show is syndicated, but the actors do not receive their residuals. A grievance leads to the producer paying all owed residuals with interest.

5

Improper Processing or Payment of Health & Pension Benefits

This can happen when you pay union members or if you simply don't provide the agreed-upon health and pension benefits to union members.

PENALTY

In most cases, this will only cost you the difference between the incorrect and correct amounts. However, if you delay the correction, you could be subject to back payment into health and pension funds, plus potential fines.

EXAMPLE

A producer fails to contribute to the health and pension funds as stipulated. The union files a grievance, and the producer is fined and required to make back payments.

6

Credit & Publicity Violations

Misrepresenting an actor's role, not giving due credit, or issues related to publicity rights and personal image use.

PENALTY

Financial compensation for misuse of a performer's image or miscrediting, and possible punitive damages.

EXAMPLE

An actor's role is significantly reduced in the final edit, and they are not credited appropriately. The grievance results in financial compensation for the actor.

04 GRIEVANCES PENALTY COSTS

7

Discrimination & Harassment

Any form of discrimination or harassment based on race, gender, sexuality, or other protected classes, as well as failure to provide a harassment-free workplace.

PENALTY

These cases can lead to significant legal settlements or court-ordered damages.

EXAMPLE

A crew member faces racial discrimination on set. The grievance leads to a legal settlement in favor of the crew member.

8

Use of Non-Union Labor

Employing non-union workers for roles or positions that are supposed to be filled by union members.

PENALTY

If the union finds out, you pay damages payment of whatever you paid the non union member + benefits (double pay penalty). Payment for damage and fringes is an extra 45%.

EXAMPLE

A producer hires non-union actors for a union project. The grievance results in fines and the producer having to make union contributions for these actors.

9

Failure to Provide Appropriate Accommodations

This can include not providing necessary travel, lodging, or on-set amenities as per union agreements.

PENALTY

Compensation for the cost of accommodations that should have been provided, plus potential fines.

EXAMPLE

Actors are not provided with the agreed-upon lodging during an out-of-town shoot. The grievance leads to the producer compensating for the appropriate accommodations.

Pro Tip: Flip Your Job Without Slowing Down Your Production

Hiring non-union members is a serious situation as your production could get shut down or you must flip your shoot entirely which is a long process that will quickly implicate your production budget. Learn more about flipping jobs with ease here.

04 GRIEVANCES PENALTY COSTS

10

Improper Use of Performances

Unauthorized use of a performer's work in mediums or formats not covered by the original agreement.

PENALTY

Penalties can include payment for unauthorized use, potential damages for breach of contract, and additional fines.

EXAMPLE

A film clip is used in an advertisement without the actor's consent. The grievance results in the producer paying for the unauthorized use and additional damages.

11

Failure to Follow Staffing Requirements

This includes not adhering to union rules regarding the hiring of union members, staffing ratios (union to non-union members), or specific job roles that are required to be filled by union members.

PENALTY

Days work in wages plus benefits.

EXAMPLE

Driving vehicles outside the contract or having someone who isn't supposed to be operating a contracted vehicle driving.

12

Jumping Budget Tiers

When your production starts in a particular tier, and your budget goes up but doesn't get reported, this is called "jumping budget tiers" and could result in a grievance.

PENALTY

Pay increased wages to crew based on tier.

EXAMPLE

Midway through production under a lower budget agreement with IATSE, the budget increases due to additional funding, pushing the production into a higher tier. Failure to report this change can lead to a grievance filed by IATSE.

04 CLAIM PENALTY COSTS

1

Unfair Labor Practices

This occurs when producers engage in actions that violate the rights of crew members or breach the terms of the union's collective bargaining agreement. Examples include intimidation, retaliation, or obstructing union activities.

PENALTY

Legal action, fines, and compulsory corrective measures may be imposed.

EXAMPLE

A producer retaliates against crew members for participating in union-organized negotiations. This leads to a claim of unfair labor practices, resulting in legal action and fines against the producer.

2

Misclassification of Crew

Incorrectly categorizing crew members as independent contractors to evade providing union-mandated benefits and protections.

PENALTY

Required back payment of benefits, imposition of fines, and legal consequences.

EXAMPLE

A producer labels a regular sound technician as an independent contractor, denying them union benefits. A claim results in the producer having to reclassify the technician and pay back benefits.

3

Neglecting Health and Safety Standards

Failing to comply with established health and safety guidelines on set, putting crew members at risk.

PENALTY

This can lead to monetary fines, legal liabilities, and potentially being barred from future projects involving union crews.

EXAMPLE

An avoidable accident occurs on set due to poor safety protocols. The incident leads to a claim, with the producer facing fines and legal accountability.

04 CLAIM PENALTY COSTS

4

Violating Collective Bargaining Agreements

Disregarding the terms set forth in the collective bargaining agreement with the crew's union.

PENALTY

Fines, legal action, and compensation for any incurred losses.

EXAMPLE

A producer fails to implement agreed-upon wage increases. The union files a claim, resulting in the producer being fined and required to pay the overdue wage hikes.

5

Withholding Contractual Benefits

Not providing crew members with benefits like health insurance or pension contributions as specified in their contracts.

PENALTY

Back payments for missed benefits, fines, and possible legal proceedings.

EXAMPLE

A producer neglects to contribute to the crew's health insurance fund. A claim is filed, leading to back payments and potential fines for the producer.

6

Inadequate Overtime Compensation

Failing to pay crew members for overtime according to legal and union requirements.

PENALTY

Payment of all due overtime wages, possible additional damages, and fines.

EXAMPLE

A producer abruptly terminates a crew member without notice or severance, contrary to their contract. The crew member files a claim, leading to the producer paying severance and possibly additional damages.

04 CLAIM PENALTY COSTS

7

Ignoring Contract Termination Clauses

Terminating crew contracts without adhering to stipulated terms such as notice periods and severance.

PENALTY

Financial compensation to the affected crew members, plus potential legal fees and fines.

EXAMPLE

A producer abruptly terminates a crew member without notice or severance, contrary to their contract. The crew member files a claim, leading to the producer paying severance and possibly additional damages.

8

Non-Payment of Royalties

Not honoring royalty payments for the use of creative works as agreed in contracts.

PENALTY

Back payment of all owed royalties, potential extra damages, and legal expenses.

EXAMPLE

A film uses a script without paying the agreed royalties to the writer. The writer files a claim, resulting in the producer having to pay the overdue royalties and additional damages.

9

Late Payments

This involves delays in paying crew or talent as per the agreed timelines.

PENALTY

The standard pay rate per day, usually capping at around 30 days. There can be additional fees for prolonged non-payment.

EXAMPLE

A producer delays paying a crew member for 40 days.

04 CLAIM PENALTY COSTS

10

Upgrade Claims

Claims are filed when talent, such as extras, believe their role was significant enough to warrant being classified as a principal actor.

PENALTY

Penalties commonly involve paying for additional usage cycles, often at higher renegotiated rates, and possibly incurring substantial fines or legal costs.

EXAMPLE

An extra in a commercial believes they were prominent enough to be considered a principal actor. SAG reviews the production details and decides in favor of the upgrade, leading to increased payment to the actor.

11

Unauthorized Use

Using a production or performance beyond the agreed media usage terms.

PENALTY

Additional payment for extended use cycles, often at rates higher than standard, especially if negotiated after the fact.

EXAMPLE

A producer or advertiser uses a scene from a movie in a promotional online campaign without obtaining the necessary extended usage rights. This leads to a claim for unauthorized use. The producer or advertiser is then required to properly compensate the actors and crew involved in that scene for the additional use.

12

Preference of Employment or Taft-Hartley Violations

Hiring a non-union performer for a union job without proper justification or failing to file the required Taft-Hartley report.

PENALTY

A \$320 fine per violation for unjustified hiring or late reporting.

EXAMPLE

A producer decides to hire a unique social media influencer but the influencer isn't a SAG member. Despite the unique skills of the performer justifying the hire, the producer neglects to file a Taft-Hartley report within the 15-day deadline. The union will file a claim against the production.

04 CLAIM PENALTY COSTS

13

Working Condition Claims

Claims related to non-compliance with union-mandated working conditions, including issues like wardrobe allowance, meal periods, night work, weekend/holiday work, travel time, and hazardous work.

PENALTY

Varied, depending on the specific union contract stipulations but can include compensation for missed benefits and overtime, additional pay for night and holiday work, and potential legal fees.

EXAMPLE

A film crew is required to shoot in a remote, hazardous location, but the producer fails to provide the additional hazard pay stipulated in the union contract. The crew members are also not given adequate travel time compensation for the long distances they need to travel daily to the set. This oversight leads to a claim being filed against the producer.

05 KEY RESOURCES: WHERE TO KEEP UP WITH TALENT & CREW UNION CONTRACTS

These resources offer a wealth of information, guidance, and tools to help producers and advertisers navigate the complex landscape of union standards and requirements, ensuring compliance and fostering successful collaborations with talent and crew in the industry.

| Resource | Description | Resource | Description |
|--|---|---|---|
| SAG-AFTRA Producer Resources | Information covering SAG-AFTRA members, contracts, forms, reports, and other necessary details. | How to Pay Residuals & Health and Pension Under the Commercials Contract | How to pay benefits under the SAG talent under the Commercials Contract. |
| SAG-AFTRA: Quick Start Guide for Independent Producers | Guide for independent producers navigating SAG- regulations and procedures. | SAG-AFTRA: Production Center | Resources and information relevant to production concerns and union guidelines. |
| The Ultimate Guide to the SAG-AFTRA Commercials Contracts | Requirements to follow under the Commercials Contract | <u>When & How to Engage a SAG-AFTRA Signatory for a Commercial</u> | Guide for knowing when and how to engage a signatory for commercial productions. |
| Wrapbook: The Essential Guide to SAG Paperwork | Guide on handling SAG paperwork effectively. | A Beginner's Guide to SAG-AFTRA Contracts | Advertisers and producers need to know basics when it comes to navigating SAG contracts |
| IATSE | Information on IATSE's local directories, agreements. | SAG-AFTRA: Contracts and Industry Resources | Contracts and industry resources essential for producers working with SAG. |

05 KEY RESOURCES: WHERE TO KEEP UP WITH TALENT & CREW UNION CONTRACTS

| Resource | Description |
|--|--|
| CMS Productions: Working with Crew Unions | How to work effectively with crew unions. |
| CMS Productions: IATSE and Teamsters Rate Changes | Latest rate changes advertisers and producers need to know |
| CMS Productions: IATSE Low Budget Theatrical Agreement | CMS Production's exclusive contract with IATSE offering cost savings for low budget theatrical projects. |
| Assemble Magazine: The Producer's Guide to the IATSE Film Union | Film crew minimums found in the IATSE basic agreement, including IATSE's guidelines and policies. |
| IATSE: Producers Guide | Resource offering extensive information on working with the union. |
| Wrapbook: IATSE-AICP Agreement | Guide on the new Commercial Production Agreement between IATSE and AICP. |
| Wrapbook: Indie Producer's Guide IATSE Film Budget Tiers | Indie Producer's Guide IATSE Film Budget Tiers |
| AFM: Recording & Digital Media | Resources for producers working with musicians, covering aspects of recording and digital media. |
| Teamsters: Motion Picture & Theatrical Trade Division | Guidance on working with Teamsters members under the Motion Picture & Theatrical Trade Division. |

CONCLUSION:

Remain compliant on all future productions

In conclusion, learning all there is to know about union contract rules and regulations can help your team avoid grievances or claims throughout production.

Letting a third-party union signatory company step in can save you the headache of navigating union contracts and even help mitigate union disputes to prevent claims or grievances.

CMS is a third-party signatory to the SAG-AFTRA Commercials, Corporate Educational / Industrial & Interactive media contracts. We are signed directly to the AICP I.A.T.S.E. and Teamsters 399 (LA) and 817 (NY) agreements and can service on almost all kinds of productions.

We are here to help you hire the best talent in business for your next project.

[CONTACT US](#)