

1st Winnipeg pact nets \$301 top



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Arthur Rosenstock, from the chair, at 1967 Convention

Arthur Rosenstock dead at 72, TNG president for eight years

New York City — Arthur Rosenstock, who died here April 9, served as president of TNG longer than any other person who has held TNG's highest unpaid office before or since, including the Guild's founding president, Heywood Broun.

Rosenstock, who was 72, served four consecutive two-year terms in the position, from 1959 through 1967. Broun, who was 51 when he died in office on Dec. 18,

1939, served six consecutive years.

When Rosenstock was elected president by acclamation of the last Guild Convention to be held in New York City he also became the only New York Guild member since Broun to hold the office.

(Two years after Rosenstock stepped down from TNG's presidency, the title of the office was changed to International Chair-

man, then, in 1973, to International Chairperson.)

In a tribute to Rosenstock following his death, TNG President Charles A. Perlik, Jr., said that "few members will ever match the leadership span, from unit chairman to international president, earned and enjoyed by Arthur Rosenstock."

"While many will recall his lyrical flights and rhetorical flour-

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Initial minimums bring raises as high as \$65

Winnipeg, Man.—A first contract providing initial raises of up to 50 percent and \$65 a week and taking the top minimum for editorial artists, photographers and reporters to \$301 a week in its third year was ratified by members of the Tribune unit of the Winnipeg Guild April 13.

After the initial raises, which local leaders said were a minimum of 12.5 percent for key editorial classifications, the contract increases all advertising and editorial minimums by 10 percent next Oct. 1 and seven percent Oct. 1, 1976.

The settlement also includes a 37½-hour week, severance pay of up to 50 weeks, maternity leave of up to 21 weeks, a 10-percent night differential, five-weeks' vacation, nine holidays and integrity and "privilege" protection.

While the contract's term is retroactive to last Oct. 1, initial increases were retroactive to last July 1, producing lump-sum payments as high as \$2,457 just before Christmas after the Guild and the Tribune agreed to put the contract's initial minimums into effect while they completed the rest of the pact.

The contract establishes flat position differentials that provide minimums ranging from \$324 a week, for the dispatch supervisor, to \$383, for associate editors and assistant city and night editors, in 1976—initially they range from \$275 to \$325.

Initial top minimum for key editorial jobs is \$255 for four years' experience, going up \$26 and \$20 to \$301. An informal, precontract minimum schedule called for \$225 after five years.

Highest initial minimum in advertising is a flat \$260, for special accounts representatives, going up \$26 and \$20 to \$306.

Display and national salespersons' initial top minimum is \$204, and goes to \$240; that for outside classified sales is \$194, going to \$228, and for classified telephone solicitors is \$120, going to \$141.

The contract guarantees that "at least the present" commissions will be paid in addition to the minimums.

Initial top for dispatch and scheduling clerks is \$147 and

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Senate pair slated for Hill meeting

Sens. Edmund S. Muskie of Maine and Edward M. Kennedy of Massachusetts have been added to the list of speakers for TNG's first national legislative and political conference, to be held in Washington May 5-8.

Muskie, chairman of the Senate's Budget Committee, will speak at a luncheon meeting on Tuesday, May 6, the first full day of the conference.

Kennedy, chief Senate sponsor of National Health Security legislation, will meet with conference delegates in the Senate Caucus room after lunch on Wednesday, May 7, just before they embark on a series of visits to the offices of members of Congress from their home districts.

Actor E. G. Marshall, of the television series "The Bold Ones," is scheduled to speak at Wednesday's luncheon session.

Others scheduled to speak at the conference, sponsored jointly

(Continued on Page 6)

NLRB election sought in Wilmington editorial

Wilmington, Del.—The Newspaper Guild of Greater Philadelphia filed a petition with the National Labor Relations Board April 21 seeking recognition as

bargaining agent for 123 editorial-department employees of the Wilmington News-Journal.

The local said a "very substantial majority" of affected employees has applied for Guild membership.

The Guild has represented some 50 inside and outside circulation employees of the DuPont-controlled newspapers since 1952.

The papers' editorial employees voted 71 to 43 against Guild representation in April, 1971. The local reported, however, that some

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Mythical family's costs up 12% to 14%

BLS budgets outstrip Guild gains

While minimums being paid under Guild contracts advanced at a record pace in the past year (GR, April 11), they lost ground to the spiraling costs of the U.S. Labor Dept.'s Urban Family Budgets.

The latest budgets, updated to reflect costs as of last fall for goods and services for a mythical family of four at three levels of living, were each up by more than they had risen in any single year since the BLS began issuing them in 1967.

The new "lower" budget requires \$9,198, or \$176.88 a week — up \$1,017 (\$19.55 a week), or 12.4 percent from the year before. The new "intermediate" budget requires \$14,333, or \$275.63 a week — up \$1,707 (\$32.82 a week), or 13.5 percent.

The new "higher" budget calls



for \$20,777, or \$399.56 a week — up \$2,576 (\$49.54 a week), or 14.2 percent.

When the budgets were re-

leased April 9 the average reporter top minimum in Guild contracts with U.S. newspapers was still higher than the average

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"intermediate" budget, as it had been when the 1973 budgets were released last spring—but the mar-

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17 in Long Beach to vote on May 2

Long Beach, Calif.—The National Labor Relations Board has scheduled for May 2 an election on Guild representation among the 17 employees in the ad-dispatch department of the Independent and Press-Telegram.

The Los Angeles Guild, which now represents circulation, editorial and maintenance employees of the Knight-Ridder paper, said a "substantial majority" of the 17 have applied for Guild membership and representation.

Arthur Rosenstock, TNG head four terms

(Continued from Page 1)
ishes, none will forget his time-tested dedication and service to his union and the industry in which it functions," Perlik concluded.

The New York Guild's executive board passed a resolution lauding Rosenstock for an "unforgettable record of distinguished leadership and dedication to the best interests of the Guild."

After listing the many offices he held in the local and TNG, the board concluded by stating that his "contributions to the Guild will be a lasting monument to his memory."

A native of New York City and a New York University law student, Rosenstock was a charter member of the New York Guild, joining it while working for the Bronx Home News as a drama critic in 1933 before TNG's founding convention.

He was chairman of the Home News Guild unit for three years before it was merged with the New York Post, where he then worked as a librarian. He was the Post's supervisory librarian when he retired in 1971 after 47 years in the industry.

Before serving as president of the New York Guild in 1953 and 1954 he served a term as local vice president and, as he put it, "on every citywide committee" in the local.

He was TNG regional vice president from New York from 1955 through 1957, and was elected chairman of the local's representative assembly in 1958 and 1959.

Earlier, in the 1940s he was chairman of the New York Committee for Guild Unity, which led the drive that saw New York Guild members vote left-wing leaders from office.

Before election to TNG's presidency he had been a delegate to 13 Guild conventions, serving repeatedly on the resolutions and constitution committees.

While president of TNG, Rosenstock represented the Guild on the executive committee of the International Federation of Journalists and was a member of the executive committee of the



New York Guild honors Arthur in 1969
Page One Award for service from Thomas J. Murphy

Food for Peace Council.

In the early years of his tenure as TNG president he occasionally wrote a "President's Corner" column in the Guild Reporter, using it to launch a campaign against newspaper monopoly and the growth of chain ownership that he waged throughout his presidency.

He also was an early champion of unity between the Guild and the printing crafts unions, issuing a call as a guest speaker at the International Typographical Union's convention in 1960 for the ITU and TNG to "seek a specific plan for unity."

"Unity," he said, "may take many forms, ranging from simple association through federation to merger or amalgamation into a

single new organization."

"It does seem only common sense that our objective should be a single organization," he said, announcing that he would ask the Presidents' Committee of the newspaper unions to establish a working committee "to try to blueprint such an organization."

Rosenstock was honored by the New York Guild in 1969 with a special Page One Award for excellence in Guild service.

The same year he was chairman of TNG's Heywood Brown Award contest.

Rosenstock died in a New York hospital following a long illness. Services were held April 11 in the Bronx.

His wife, Eleanor, had died March 8.

Rosenstock rhetoric, a choice sampling

Editor's note: Arthur Rosenstock, the man who served four terms as TNG president, was a person deeply dedicated to the Guild and its members. He served them long and well at all levels. He was a gentle person and one who waxed strong as he turned a phrase, punctuating it with an ever-present cigar, before Guild audiences of from one to a thousand. At his last convention as TNG president he was at his best. A few excerpts:

On a bill then in Congress to exempt newspaper mergers from the antitrust laws:

Holy Toledo! Is there no shame left at the throne of power? . . . We now ask Sen. Hart [Philip A. Hart of Michigan] and his committee [on antitrust and monopoly]: What is a failing newspaper? What is erosion of the press? And does your committee feel that each sponsor-senator has a first or prior debt to predatory publishers rather than to the people and the commonwealth? Or are these just the vapors of starry-eyed idealists? . . . Since 1962 your president has tilted a lance and wielded a truncheon in the bloody arena of the press monopolist. . . . Six times our august bodies have drafted and sent to our solons in both houses of Congress proposals for remedial legislation to stop this mad rush of predators of the press to gobble more newspapers, to garner more profits—to gobble more newspapers. . . .

On the wealth of the publishing industry:

Viewing the luscious curves of our industry through the eyes of fact, we are impelled to conclude that the presses are made of platinum, not gold, although we would gladly settle for the yellow metal. . . .

On newspaper automation:

. . . The stirring of a sleeping giant . . . [but, quoting a Chicago editor] the human mind is not only the best computer yet devised—but the only one that can be produced by unskilled labor. . . . So be of good cheer, for the prophets of doom are being heavily muted and outvoted by their one-time disciples, who now envision a plausible millenium. . . .

Recalling his words to publishers after his election in 1959:

No Guild member wants to strike if he is in his right mind—and if they are sick they should be in a hospital. . . . When our people hit the bricks it is after long frustration; it is after debasement; it is because the publisher through his legal beavers refuses to enter into fair collective bargaining . . . using instead the laws of the jungle. . . . Hear this last word: Meet us half way; we don't want to be at your throats any more than we wish to grovel at your feet. . . .

On his eight years in office since his election in 1959 in New York City's Astor Hotel:

In my response, I opined, in the words of the then Sen. Hubert Humphrey, that a speech need not be eternal to be immortal. Sometimes I have violated the former, and we doubt we have ever embraced the latter. . . . May I repeat the precept I tendered you at the Astor in 1959: Never above you; I hope, never below you—and always on the level with you. . . . I said the other day I was tear-stained but not sobbing. But now I am. . . .

Winnipeg wins 1st contract

(Continued from Page 1)

goes to \$173 a week; that for editorial and advertising secretaries is \$157, going to \$185, with library assistants going from an initial top of \$157 to \$185 a week.

Overtime under the new contract is time and a half for the first three hours in a day; double time thereafter.

The pact provides five weeks' vacation for 25 years' service and four weeks' after 10 years in 1975. Service time for the fifth week is reduced to 22 years in 1976.

The settlement also provides 17 cents for the first 200 miles a month by "occasional" car users, 15 cents thereafter; 16 cents a mile for 200 miles by regular auto users, 14 cents thereafter.

Photographers are guaranteed \$30 a month rental for using their own equipment.

Besides forbidding that an employee be required to perform "any practice" that would compromise the employee's integrity, the settlement provides by-line and credit-line protection, guarantees that "substantive changes" in copy will be brought to employees' attention and pledges the company to defend any employee proceeded against under law for any material "accepted . . . for publication."

Correction

Providence, R.I. — Top minimum for reporters goes up \$80, to \$371 a week, and that for outside ad-sales persons is raised \$81.50, to \$382.50, in a three-year Providence Guild contract with the Journal and Bulletin. The local had reported the reporter figures 50 cents lower and those for ad sales 50 cents higher (GR, April 11).

Locals alerted to retiree groups

The AFL-CIO has alerted member unions to two retiree organizations it says have "exploited the needs of the elderly, subjected them to anti-labor

propaganda and actively opposed organized labor's legislative programs," TNG told U.S. locals April 16.

The American Association of Retired Persons (AARP) and the National Retired Teachers Assn. (NRTA) are, under joint management, steadily building a record of activity contrary to the policies, programs and legislative objectives of the AFL-CIO, including Medicare and National Health Security, Research and Information Director David J. Eisen said in passing the alert to locals.

The National Council of Senior Citizens is the only organization of older and retired workers that has the endorsement of the AFL-CIO, he pointed out.

Guild members should be reminded that NCSC has for 14 years "worked consistently at the side of organized labor to improve the quality of life" for retired persons, Eisen said.

By contrast, AARP and NRTA are "making strenuous efforts to reach union retirees through direct mail campaigns, Eisen noted. He said an AARP subsidiary, Action for Independent Maturity, "is currently reaching hundreds

of thousands of union members aged 55 and over whose names it receives through pre-retirement programs" financed by the federal government through contracts with business firms.

Eisen said that, unlike NCSC, AARP and NRTA "have opposed Medicare, and the labor movement's campaign for National Health Security legislation. They are heavily subsidized by commercial interests," including insurance carriers, and "promote commercial health insurance policies" that are "usually inferior and with high premiums," he said.

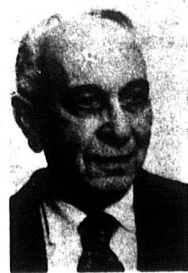
TNG suggested that local unions "alert your older and retired members to the activities and financial backing of these organizations, and call their attention to the NCSC as an alternative organization worthy of their support."

TNG also said locals with retiree units "might consider financial support" for NCSC.

In addition to AARP and NRTA, other state, local and national organizations may seek labor support. Their bona fides also should be checked with NCSC, Eisen advised.

A. Franceschetti; 30 years a leader

New York City—Alfred Franceschetti, chairman of the New York Guild's Il Progresso unit for more than 30 years and a delegate to more than a half-dozen TNG Conventions including the 1974 session in St. Louis, died here March 15 following a long illness.



Franceschetti

Long a member of the New York Guild's executive committee, he had worked for 45 years for the Italian-language paper. He had been an editor and in charge of its Sunday magazine section.

Survivors include his widow, Clara, and a son, Alfred.

Now, not even a 'head stone'

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The last trace of the Washington Daily News—its name—disappeared from the District of Columbia March 7 when the Washington Star dropped the old Scripps-Howard paper's name from its page-one flag just 31 months after buying the News's name, features and circulation lists.

Two weeks before, on Feb. 21, the Star had reduced the News's name to 18-point type and nestled it under "...ton" in "Washington." The News had gotten equal billing in "Star-News" for the 19 previous months. The News's full flag had been carried under the Star's for the first five days of the "combination."

The Star reportedly paid between four and five million for the News's name, circulation lists and features. It hired 25 of the paper's 75 Guild-covered editorial employees.

Open-ended jail terms meted to Fresno-three

Fresno, Calif.—Three Fresno Bee newsmen were sentenced to indefinite jail terms April 21 when they again refused to disclose to Superior Court Judge Denver C. Peckinpah the source of stories detailing grand jury testimony that had been ordered sealed.

And a fourth, Bee city editor James Bort, Jr., was cited 17 times for contempt of court when he refused to answer a separate series of questions about the source and characteristics of the documents from which the stories were written.

The judge, however, stayed execution of the jail sentences against reporters William K. Patterson and Joe Rosato, both Guild members, and managing editor George Gruner until May 23.

The three were first cited for contempt by Peckinpah Jan. 27 when they refused to say how they obtained a transcript of grand jury proceedings connected with the indictment of a city council member, a real estate developer and a city planning commissioner on bribery and conspiracy charges.

They were back before Peckinpah after California courts and the U.S. Supreme Court had refused to permanently halt proceedings against them.

While Peckinpah had announced that the April 21 hearing would be concerned solely with the source of a courthouse key he had confiscated from Patterson on Jan. 27, he opened the session by asking the three if they would still refuse to an-

swer the 62 questions he had originally put to them.

Gruner answered three, telling the judge that officers of the court had had nothing to do with the paper's obtaining the information.

When no further answers were forthcoming, Peckinpah imposed the jail sentences, which he said will end when one or more of the three discloses the source of the information.

Turning to Bort, who was making his first appearance in the case, Peckinpah asked him a series of detailed questions about the source and such things as whether the transcript contained marginal notes, underlined words or marks of any kind.

The four all told the judge that neither the key he had confiscated from Patterson nor any other key had had anything to do with obtaining the transcript.

Patterson and Rosato, who both cover the courthouse, and Bort said they, as well as Bee copypersons, all had courthouse keys that were given them by bailiffs several years ago when courthouse security was tightened.

The judge ordered all keys held by Bee employees confiscated, passed out new ones that ostensibly would open only the press room and then ordered a bailiff to try all the confiscated keys in every door in the courthouse before scheduled resumption of the hearing April 24.

On April 22, the day after the three were sentenced, a jury in Oakland found the council member charged in the case not guilty.

Akron reporter top raised by \$55, will reach \$345.50

Akron, Ohio—The reporter top minimum is increased \$55, to \$345.50, in a new two-year editorial contract at Knight's Akron Beacon Journal.

Salaries higher than the minimums are increased the same amount as the minimums.

A separate contract for maintenance employees negotiated at the same time provides increases ranging up to \$45.45 over the two-year span.

The top for secretaries is raised \$20, to \$177.80, that for copy runners the same amount, to \$128, that for mechanics \$45.45, to \$252, and that for janitors \$23.85, to \$160.

In addition to dental insurance in both contracts, the Guild added outpatient X-ray and laboratory coverage to hospitalization insurance. The dental plan provides for coverage exceeding an annual \$100 deductible per family.

The contracts provide a fifth

week's vacation, after 20 years' service, plus an extra, floating holiday, producing a total of nine in maintenance, eight in editorial.

The Guild won an improved pension plan for maintenance employees. In place of benefits based on salaries, retirees will receive a fixed \$8 a month times years of service. The company's pension contribution is increased from \$7.69 to \$8.52 a week per employee.

The editorial contract requires that employees receive copies of any job-performance information placed in their personnel files. The Guild must be notified of the nature of any critical material, and the employee has the right to place a response in the file, with Guild assistance if he or she so desires.

Part-time editorial employees will be covered by all contract provisions for the first time. They had previously been denied sick pay and health-and-welfare benefits.

Supreme Court refuses appeal by Hearst on Her-Ex benefits

The U.S. Supreme Court refused April 21 to hear an appeal by Hearst's Los Angeles Herald-Examiner from lower court rulings ordering the company to arbitrate the Guild's claim for nearly a million dollars in severance pay and alternate benefits for employees of the paper, struck more than seven years ago.

Hearst had sought a High Court hearing on its claim that its refusal to pay was not arbitrable in view of the strike.

NLRB hears new plea for L.A. decertification

Los Angeles, Calif.—An employee of Hearst's struck Herald-Examiner who earlier this year filed then withdrew a petition to decertify the Guild as representative of the paper's display advertising, circulation and editorial employees, has filed another.

Raymond J. Bragen in his latest request to the National Labor Relations Board for a decertification election says there are 220 employees and lists "Employees for Better Working Conditions, an independent union" as an interested party.

Hearings on his latest request have been completed and a ruling is expected early in May.

The Guild, which had vainly sought arbitration since early in its strike, had alternatively asked the courts to award the benefits and a million dollars' damages for breach of its contract.

The Supreme Court refused without comment to hear Hearst's appeal from a decision by Ninth Circuit Court of Appeals Judge Leonard P. Moore which held that the Guild's Herald-Examiner contract is still in effect despite what he described as "a controversy which in bitterness and duration bids fair to rivaling the War of the Roses."

The contract provides for payment of alternate benefits to employees resigning at 65 or after 25 years' service and of severance pay to the beneficiaries of any employee who died after more than six months' service.

Some 100 employees and the survivors of six who died filed claims under the two clauses after the strike began in December, 1967. But Hearst refused to pay, contending that the contract was no longer in effect. It refused to arbitrate on the same ground.

The Guild obtained a judgment from the state labor commissioner for the money—\$800,000 in alternate benefits and about \$50,000 in severance pay—but the Los Angeles city attorney

refused to enforce it and the commissioner refused to sue.

An arbitrator subsequently named by the American Arbitration Assn. without Hearst's participation held that the claim was not arbitrable on the ground that the Guild had waited too long to seek arbitration. But a federal judge threw out the decision and ordered the claims back to grievance procedures.

Hearst and the Guild both appealed, with the Guild seeking the right to pursue a lawsuit for the claims. But Judge Moore, in upholding the decision, said "even if arbitration be not the exclusive remedy [under the contract], it is the remedy for which the parties contracted."

Noting, however, that "seven years have produced no sign of amicable settlement of the dispute," Moore ordered grievance proceedings bypassed and the issue submitted directly to arbitration.

Moore indicated little sympathy for Hearst's position.

"The parties made their agreement under which the Guild employees worked and Hearst received the benefit of their services," he observed. "The employee's rights [to alternate-benefits and severance-pay] were an important part of their contract."

Justice Potoker quashes subpoena

New York City—Brooklyn Supreme Court Justice M. Michael Potoker has quashed a subpoena for a New York News reporter, holding that a reporter has a right to protect the confidentiality of news sources.

Potoker, in an opinion discussing press freedom from the 1735 Zenger case through Watergate, Potoker said that to let the subpoena for Thomas Raftery stand would be to "invite an open challenge to the right of newspaper men to write, edit and collect the news."

Raftery was subpoenaed by the defense in a case involving possession of illegal weapons.

Potoker was secretary-treasurer of the New York Guild for the 14 years prior to June, 1964, when he resigned to take a position on the New York City bench.

LOCAL ELECTIONS

Gary
President, Forbes Scott; first vice president, Wallace M. Throver; 2nd vice president, John Mitchell; secretary, J. Lin Allen; treasurer, Larry Brett.

Columbus
President, Raymond D. Volt; vice president, Thomas C. Buskirk (Buskirk, 114; Robert Worthen, 48); secretary, James Lawton (Lawton, 125; John Meekins, 43); treasurer, James Segbers (Segbers, 100; Robert Hunter, 67).

San Antonio
President, Orden D. Chamberlain, Jr.; vice president, Dora Dullin; secretary, Bruce Beal; treasurer, Robert Gullace.

San Jose
President, William C. Ernst (Ernst, 278; Thomas H. Harris, 103); vice president, Frank Sweeney; secretary-treasurer, Harriett Agar; recording

secretary, Tom H. Gregg (Gregg, 202; Betty Barnace, 159).

Scranton
President, Walter Golden; first vice president, Daniel Orr; second vice president, Victor Alfano; secretary, Christine Vanston; treasurer, Joseph Flanery.

Toronto
President, N. John Adams (Adams, 430; John Lowe, 235; Ross Miller, 294); first vice president, Don Phillips (Phillips, 598; Jack Dobson, 423); second vice president, John Macdonald (Macdonald, 359; Bob Bullard, 320; Bruce Jones, 284); secretary, Margaret Daly (Daly, 546; Ivy Sullivan, 306; Margaret Unstead, 177); treasurer, Eileen Carter (Mary Young withdrew).

Terre Haute
President, Tom C. Reck; vice president, Melony Stoneking; secretary-treasurer, Charles J. Maloof.

Wilmington editorial petition filed

(Continued from Page 1)
who were "no-union" leaders then are among the leaders of the present effort by the employees to secure Guild representation.

The organizing effort was launched in January when the papers' executive and associate editors resigned and the metro-

politan editor and an assistant metropolitan editor were fired.

Norman E. Isaacs, former executive editor of the Louisville Courier-Journal and Times and a former president of the American Society of Newspaper Editors was hired as the papers' president and publisher in February.

DuPont some time previously had announced its intention of selling the papers—reportedly appraised at 24 million dollars—after merger of a subsidiary corporation, Christiana Securities, which owns the papers, into DuPont is completed.

The executive and associate editors resigned after the papers' DuPont-controlled board of directors sharply restricted the executive editor's authority and cancelled a staff reorganization plan.

A 21-person in-plant organizing committee is being assisted by TNG International Representatives Edna Berger and William H. Brown.

Detroit hires Teutsch as 2nd local staffer

Detroit, Mich.—The executive committee of the Detroit Guild has hired Henry Teutsch, chairperson of the local's Oakland Press unit, as a local representative to assist Executive Secretary Helen Fogel.

Teutsch's employment is being financed initially by contributions to the local from the United Auto Workers, the Michigan Teamsters, a Steelworkers' union local and the Metropolitan Detroit AFL-CIO.

IT SEEMS TO US

Funds are needed to assist member's censorship fight

OTTAWA, ONT.

Editor:

About a year ago, Gerard McNeil, a member of the new Canadian Press unit of the Canadian Wire Service Guild, challenged the Nova Scotia Board of Film Censors and their decision to ban the film "Last Tango in Paris."

The case has gone through the lower courts, and will be heard

DAY BOOK

International Executive Board, spring meeting, April 28-May 2, TNG Headquarters, Washington.

Southern District Council, spring meeting, May 3, 4, Hamada Inn, Morgantown.

TNG-GAIU Legislative-Political Conference, May 5-8, Capitol Hill Quality Inn, Washington.

Western District Council, spring meeting, May 10, 11, Stockton.

Great Lakes District Council, spring meeting, May 17, 18, Holiday Inn, South, Erie.

Middle Atlantic District Council, spring meeting, May 17, 18, Hilton Inn, Scranton.

Midwest District Council, spring meeting, May 17, 18, Hello Colony Hotel, St. Louis.

New England District Council, spring meeting, June 7, 8, Kings Grant Motor Inn, Danvers, Mass.

42nd Annual TNG Convention, July 7-11, Denver Hilton Hotel, Denver.

Barron's: Diversifying pays—so does 'just' publishing

PETER MILLONES, ASSISTANT managing editor of the New York Times for administration, rose to speak before a gathering of security analysts in Atlanta last year.

Millones described an unusual cable he received from a Times correspondent in the Middle East during the 1973 Arab-Israeli War. The reporter's tape recorder had been damaged in a scramble for cover during a mortar attack. Would anyone mind if he bought a new one?

"We've come a long way in the news department at the New York Times," Millones told the analysts. "We are still proud to say that journalistic quality is our chief concern, but we are not ashamed to add that we know what our financial responsibility is: that we know what we are spending and why we are spending it."

The Times revealed in January plans for spending on a grand scale, a 35-million-dollar, three-year capital expansion to overhaul the paper's archaic and costly printing plant. Notwithstanding her sense of financial responsibility, however, the Gray Lady stumbled last year. To the parent company's earnings of \$1.82 a share, the Times contributed a mere 51 cents. By contrast, in 1973, when the New York Times Co. earned \$1.56 a share, the paper accounted for 93 cents. The newspaper's profit margin last year, before taxes, shrank to 4.2 percent from 9.1 percent in 1973.

The showing proved newsworthy on several counts, not least of which was that the most prestigious daily in the country was among the least profitable in 1974. (The Washington Post, another leading bearer of the year's bad tidings, also suffered lower margins—8.5 percent pretax, vs. 9.4 percent in '73.) It demonstrated, too, the pinch on newspapers, of mounting costs, continuing pressures which, in many instances, are being aggravated this year by the recession.

AT THE SAME TIME, the company's overall performance last year points up the benefits of an accelerating trend among newspaper publishing outfits toward diversification, both within and outside the field. Widening the corporate bases, along with substantial savings yielded by technological advances and rate boosts, should enable the industry to ride out the current business downturn in good shape and cash in when the cycle turns.

Contributing to the New York Times Co.'s higher overall net last year, for example, were its ten small newspapers in Florida and three in North Carolina, journals every bit as profitable as the Times is eminent.

The '74 pre-tax margin of 12 of the 13 (not including a recently acquired newspaper in Wilmington, N.C.) average 26.1 percent, off from 27.4 percent in 1973 but still a handsome return. It also owns a radio and television station, magazines (including "Family Circle" and "Modern Medicine") and book publishing companies, all of which—including the small newspapers—contributed 65 cents a share, up from 51 cents in 1973.

But most important last year was the company's equity in three Canadian newspaper companies.

Thanks principally to the higher price of newsprint, the Times Canadian holding chipped in 66 cents a share last year, up from 12 cents (which would have been 24 cents but for a non-recurring tax charge) 12 months earlier. The company says that it made money last year on balance, each time

newsprint prices rose—and they did so with a vengeance.

Newsprint that sold for \$185 a ton late in 1973 now brings \$260; although some weakness has cropped up, there are predictions that the price will reach \$280, \$290 and even \$300 by year's end. Dow Jones has budgeted an additional six million dollars for newsprint in 1975, up from 23.1 million dollars in 1974. Through a nine percent reduction in the page width of both the Wall Street Journal and the National Observer, the company saved two million dollars in newsprint last year. The New York Times also is weighing a narrower width and a change in make-up from eight columns to six.

The Times was not alone last year in reaping the rewards of diversification.

Washington Post Co., bolstered by Newsweek magazine and a Canadian newsprint affiliate, lifted net in '74 to \$3.04 a share, from \$2.80 in 1973.

Times-Mirror Co., publisher of the Los Angeles Times, Newsday, the Orange Coast (Calif.) Daily Pilot and the Dallas Times Herald, posted a 10-cent boost in earnings per share, to \$1.73. The gain came despite its four newspapers, pre-tax earnings of which dipped nearly 13 percent, to 44 million dollars. Book publishing, magazines, broadcasting and commercial printing more than offset the lag (35.5 million, pretax, in 1974 vs. 17.9 million in 1973).

The company recouped part of the rising cost of newsprint from a wholly-owned Oregon mill. The rest of its forest-products division, however, swooned with the housing industry: the group's earnings, before taxes, fell 45.7 percent, to 22 million dollars.

The ascending price of newsprint, bane of big-city dailies last year, is a thing of joy for Media General of Richmond. On the strength of its Garden State Paper Co., a fully-owned newsprint recycling subsidiary, the company expects to earn between \$3.50 and \$3.75 a share this year. (Its newspaper holdings, including the Richmond News-Leader and papers in Winston-Salem, N.C., and Tampa, Fla., will do no better than match 1974's performance, according to A. S. Donnanhoe, president.)

Media General's 1974 earnings dropped to \$2.48 a share, from \$2.82 in 1973. Production woes at Garden State, which since have been righted, figured "significantly" in the decline, Donnanhoe says. He notes, however, that the price of waste paper, a principal raw material, has fallen by half since February 1974 and that paper inventories are high (at 125,000 tons, the company says it owns more than half of all the old newspapers in America).

Dow Jones, too, has taken a proprietary interest in newsprint. Last year the company paid 12 million dollars for a 39.9 percent stake in a mill now under construction in Riviere de Loup, Quebec, slated to come on stream in 1976. Hit by a three percent loss in Wall Street Journal advertising lineage and an 11.6 percent jump in operating costs (largely newsprint and postage), Dow Jones's earnings fell 6½ percent to \$1.44 a share in 1974. The company lost 1.9 million before taxes—or five cents a share after tax—on the sale of a 31 percent interest in Quotron Systems, Inc.

First-quarter earnings, Chairman William F. Kerby estimates, will "at least equal those of 1974 when we reported net income of 34 cents a share."

Citing gains by Barron's and the Wall Street

Some U.S. newspaper publishers are increasing their profits by diversifying their holdings, while others continue to boost their earnings by sticking to newspapers alone, according to an examination of the performance and prospects of 13 publicly held companies that appeared in the March 31 issue of Barron's, the conservative and prestigious financial weekly. Substantial portions of the article, by James Grant, are reprinted here.

Journal, the company estimates that circulation revenues will exceed by three million dollars those in the first quarter of 1974. Ottawa, a wholly-owned chain of 12 general-circulation daily papers, "is turning in an outstanding year, aided in part from the very extensive automation program which we have been pursuing," Kerby reports.

That it is possible to publish newspapers, do nothing else and make money in the bargain was amply shown last year by Speidel Newspapers, Inc.

The company owns 13 daily and five Sunday papers, including the Chillicothe (Ohio) Gazette, the Poughkeepsie (N.Y.) Journal, the Sioux Falls (S.D.) Argus-Leader and the Stockton (Calif.) Record. Only two of its papers, the Record and Argus Leader, boast daily circulation of over 50,000; throughout the chain, circulation totals 330,000, or less than half that of the New York Times.

Speidel rang up net of \$1.30 a share last year, vs. \$1.04 in 1973. Its pre-tax profit margin, already the highest among publicly held newspaper companies, swelled to 35 percent from 31.9 percent in 1973. Reasons? One is that Speidel publishes exclusively in "monopoly" markets. Management enjoys unusual latitude to raise rates because none of its 13 papers competes directly with another daily. All of Speidel's newspapers have adopted cost-saving photocomposition in place of conventional printing methods. Last year, for example, salary and wage costs advanced just 6.4 percent while total costs rose 8.5 percent. Because of its papers' relatively low circulation, newsprint constitutes only 18 percent of Speidel's operating costs vs. about 30 percent for big-city papers.

SPEIDEL SHARES MANY of these advantages with a brace of small-newspaper, high-margin companies—Gannett, Harte-Hanks, Booth and Multi-media, among the field. But in one respect, Speidel is unique: about 10 percent of its 1,350 employees—including publishers, production supervisors and editors—are paid strictly according to their own newspaper's earnings. "In effect, our people are their own entrepreneurs," comments Robert Whittington, vice president. Critics charge, and Speidel denies, that the system yields profits at the expense of quality and long-term innovation; there is no doubt whatever that the system yields profits.

Iowa-based Lee Enterprises, distinguished by a strong commitment to technology, offers what many investors like best about newspaper companies. "There's nothing glamorous about Lee or its markets," confesses Lloyd G. Shermer, president. What Lee has to offer, he says, is "stability and steady growth." So the record shows. Over the past ten years, growth in net has ranged between 11 percent and 16 percent annually—this despite 30 million dollars in capital investment taken from earnings and conservative depreciation and inventory accounting.

Lee recently launched a two-million-dollar "management information system" linking seven of its 14 papers with data on various phases of newspaper operation, from circulation to accounts receivable. This and other capital improvements Shermer terms "hidden assets." He adds: "If we wanted to maximize the bottom line, we could dump that project."

As recently as 1971, Harte-Hanks Newspapers published exclusively in Texas. But even the Lone Star State proved too small for the company's ambitions, and today, three years after its first public offering, Harte-Hank operates 21 papers in eight states. Its earnings advanced last year to \$1.50 a share from \$1.26, while the pre-tax margin grew to 16.8 percent from 13.1 percent in 1973.

Harte-Hanks, perhaps as much as any company, illustrates the benefits of "monopoly-market" pricing. Though advertising lineage declined three percent in January and February, and revenues climbed 12.5 percent over the like '74 span. For the full year, Harte-Hanks says it expects lineage to be "flat to down two percent." But last year's ad hike alone should hike 1975 revenues by 2.6 million. Rate boosts slated for this year will run five-to-seven percent, depending on cost increases, the company

calculates.

Booth Newspapers, which publishes "Parade" magazine and eight dailies in Michigan, says it is flourishing despite the slump in the auto industry.

Buoyed by a record performance from "Parade," the ubiquitous Sunday supplement, the company last year earned \$2.56 a share, up from \$2.26. This year's first quarter, according to James E. Sauter, president, "will be up a little over last year," when earnings totaled 46 cents a share. Through January and February, newspaper revenues rose 7.4 percent. Parade, which last year contributed about half of total revenues, carried 22.6 percent fewer advertising pages in the first two months of 1975, but—thanks to higher rates and a change in the ad mix—advertising revenues rose three percent.

One publisher that needs no introduction, at least not to Wall Street, is Gannett Co., owner of 50 daily newspapers in 17 states and Guam. Over the past seven years, the company's after-tax earnings have grown at the annual compound rate of 16 percent. Not the least of Gannett's charms is its generous float of stock, some 15 million shares. It is this liquidity, analysts say—on top of the company's enviable long-term earnings record—that has attracted institutional sponsorship and a price (about 21 times earnings) which is among the industry's loftiest.

Two weeks ago, Gannett acquired Louis Harris & Associates, the national opinion polling firm, for four million in cash. Notwithstanding, the company remains almost purely a newspaper publisher—broadcast properties (before Harris, its only holdings outside newspapers) last year added less than two percent to sales and earnings.

Combining a stake in both worlds—small-town monopoly and big-city competition—is Knight-Ridder Newspapers. Before last November the company did not exist, except as Knight Newspapers and Ridder Publications. The marriage of the two gave rise to the largest newspaper operation in America, with average weekly circulation of 27 million and 1974 revenues of \$65.2 million dollars.

Inauspiciously, the company suffered a decline in profits last year to \$2.11 a share, from \$2.22 pro forma, in '73. Weak advertising lineage in the second half, costlier newsprint and brief strikes in Philadelphia and Akron bear the brunt of the blame. Alvah H. Chapman, Jr., president, recently warned directors to expect a down first quarter and probably a down first half in 1975. In the first six months of '74, the company earned \$1.09 a share, on sales of 276 million.

The new company presents a formidable profile. It publishes 35 daily newspapers in 25 cities, from New York to California. Two of its major markets, Miami and San Jose, rank among the industry's most lucrative. Knight and Ridder's combined net grew at an annual compounded rate of 13.7 percent between 1969 and 1973. Citing a 1974 study by the National Planning Association, the firm predicts that 15 of its largest markets will enjoy population growth at a 40 percent faster rate than the national average over the next decade. The Knight half of the company, especially, has won respect for its newspapers, as well as its profits.

Nonetheless, Knight-Ridder, at 13 times earnings, sells at a substantial discount from Gannett. One reason may be liquidity. While there are 15.4 million shares of Knight-Ridder outstanding, closely-held stock reduces the float to 4.25 million shares. Sooner or later, analysts believe, secondary offerings will be forthcoming from the Knights or the Ridders; John S. Knight, who is 80 years old, alone owns 3.3 million shares.

A more fundamental reason concerns big-city newspapering. It is widely thought that small news-

papers are more profitable than large ones. Cities, the theory goes, attract militant unions and competing newspapers; the latter, furthermore, relying as they often do on national and classified advertising, tend to sway more with the business cycle than their small-town cousins.

Knight, in spite of itself has marshalled evidence in support of that theory. From its two Philadelphia papers—the Inquirer and Daily News—Knight derived 27 percent of its revenues, or some 92 million dollars, in 1973. That year, as in 1971, the papers wound up in the red. Last year, as in 1970 and 1972, the two produced modest earnings. Overall, management concedes, the papers have contributed nothing to Knight since their acquisition in 1970.

What of the industry's prospects for 1975? Besides the timing and speed of the business recovery, much depends on newsprint. A two-year contract between Canadian newsprint makers and the Canadian Paperworkers' Union expires this spring. The CPU is expected to ask for an immediate 40 percent pay boost, a more generous cost-of-living allowance and a one-year contract.

Yet, there are hints that the mood is changing. Citing high U.S. newsprint inventories—estimated at between 45 and 50 days, an all-time peak—and the slump, one newsprint executive says: "The atmosphere is quite different than in December. For one thing, our ability to pay is less."

THAT INVENTORY accumulation has eased prices—at least among major users—was confirmed by the president of one U.S. newspaper chain. So far this year, he reports, discounts on long-term contracts have ranged between \$10 and \$20 a ton.

The progress of labor talks in May will largely decide when, if and by how much Canadian producers raise prices this year. Canada supplies about two-thirds of U.S. newsprint consumption, according to the American Newspapers Publishers Association.

Advertising revenues, which account for about 75% of the typical newspaper's income, will rise about 7.8 percent this year, despite a drop in lineage of about 5 percent, the Newspaper Advertising Bureau forecasts. (Last year, the NAB erred on the bearish side, predicting that 1974 revenues would increase two percent; in fact, thanks to a spate of rate hikes, revenues expanded 5.3 percent.) Newspapers, the NAB says, last year accounted for 29.9 percent of all advertising dollars, or as many as television, radio and magazines combined.

Speidel, which offers an uncommonly detailed prognosis of the year to come, expects that its circulation will be "flat to down two percent, with rates up six to eight percent;" that advertising rates will be up about 10 percent, while lineage will be off two to five percent; newsprint prices will reach \$300 a ton by midyear while salaries and wages will be up eight to ten percent. In summary, says Vice-President Whittington, "A difficult year—with narrower profit margins, more resistance to price increases, possible disruption of newsprint supply and continually higher newsprint costs."

Gannett predicts that "its advertising lineage will be flat to three percent lower, but that rate boosts, productivity improvements and lower newsprint consumption will preserve earnings growth "between 12 percent and 25 percent"—its range over the last seven years. Citing last year's productivity gains—over nine percent—and an 11.8 percent increase already won in 1975, Gannett President Allen H. Neuhauser recently told analysts in New York: "Much of our optimism about the future is based on our ability to cut payroll costs—through automation, reduction in work forces and more favorable union contracts."

Color those 'systems' green

More testimony on the savings publishers are realizing through computerized production and off-set printing is contained in Barron's March 31 article on the industry:

"Man-hours required to produce one page" of the Lee chain's Davenport paper have been cut "from eight in 1968 to 48 minutes today," it reports, adding that "company-wide, man-hours per page have fallen from six to about three over the past four years."

Man-hours per page in the Booth chain, Barron's reports, have "fallen steadily from ten in late 1971 to about five in the last quarter of 1974; by late next year, the figure should be below three."

"Booth says that newspaper-production labor

makes up about ten percent of its wage bill," Barron's continues, adding that labor "amounts to about 45 percent of its overall costs."

The growing importance of technology in the industry, Barron's concludes, is pointed up by the following:

The research arm of the American Newspaper Publishers' Assn. reports that its annual convention—a showcase for newspaper technology—has expanded from 24,500 square feet of exhibit space in 1968 to 95,000 square feet in 1974 to 135,000 square feet in the meeting to be held this June in Houston.

As a matter of fact, the ANPA reports it had some trouble finding a site suitably large this year, Barron's says.

Making news on Wall Street

	Per-share earnings		Revenues (millions)		Pre-tax profit margin 1974
	1974	1973	1974	1973	
Affiliated	\$1.32	\$1.59	\$101.7	\$ 94.6	8.5%
Booth	2.56	2.26	156.1	136.7	15.9
Dow Jones	1.44	1.54	192.7	180.4	22.1
Gannett	1.58	1.39	331.3	308.8	19.5
Harte-Hanks (a)	1.50	1.26	79.1	68.7	16.8
Knight-Ridder (a)	2.11	2.22	565.2	506.1	12.2
Lee	1.65	1.42	48.4	45.0	17.7
Media General	2.48	2.82	144.9	125.7	12.0
Multimedia	1.55	1.36	55.9	50.7	24.3
New York Times	1.82	1.56	389.6	356.6	6.6
Speidel	1.30	1.04	42.8	38.1	35.0
Times Mirror	1.73	1.63	751.1	706.1	13.8
Washington Post	3.04	2.80	287.6	246.9	9.1

(a)—From continuing operations.

Source: Lee E. Dirks Division of C. S. McKee & Co. and Barron's.

ELEANOR S. DUNN
Former president
Ottawa Guild

Portland Guild hits bills to weaken state FOI law

Augusta, Maine—The Portland Guild has told the state legislature that proposed changes in the state's right-to-know law would weaken the law as it has been interpreted by the courts.

Bob Cummings, member of the Guild local's executive committee and a reporter for the Portland Press Herald, told the legislature's Legal Affairs Committee that the deficiencies the Guild

sees in the amendments "suggest to Guildspeople that they have been hastily drafted without the benefit of serious input from people who deal with the public's right to know on a daily basis."

The Guild, he said, "stands ready" to work with legislators and other responsible groups to review the law for possible consideration at some future legislative session.

Cummings said an amendment backed by Common Cause "would be a disaster" because it would exempt from public scrutiny all discussions "involving litigation," such as whether or not a water polluter should be prosecuted.

Other amendments, Cummings said, would "wipe out key parts" of a Superior Court decision last spring that resulted in the state Department of Environmental Protection opening its hearings on a proposal by the Pittston Co. to build a huge oil refinery on Maine's ocean-shore.

Even meetings of local zoning and planning boards could be closed to the press and public under the amendments, Cummings said.

The state's courts have held that under the present open-meetings and public-records statute there can be virtually no secret deliberations or discussions by any public body, Cummings explained. The courts have held, he said, that public bodies can hold executive sessions only to receive information but may not discuss or act on it except in public.

Portland Guild President Elwood B. (Woody) Bigelow, Jr., said the local has been disappointed that the state's publishers have been virtually silent on the proposals to weaken the law.

Montana 17th state to outlaw pro scabs

Helena, Mont.—Montana became the 17th of the United States to outlaw professional strikebreakers when Gov. Thomas Judge signed the measure into law in March.

Jack Landau of Newhouse Newspapers, a member of the steering committee of the Reporters Committee for Freedom of the Press.

The conference will be held at the Quality Inn-Capitol Hill, a short walk from the U.S. Capitol and congressional offices.

"Catch-22" halts drive in Calgary

Calgary, Alta.—The Alberta Board of Industrial Relations has dismissed the Guild's bid for certification as bargaining agent for editorial employees of the F.P. chain's Albertan and declined to waive the 90-day period provincial law says must elapse before reapplication can be made.

The certification application—by a new Guild local chartered shortly before the petition was filed on Feb. 20—was dismissed after the board upheld the company's contention that the Calgary Guild had not been properly constituted.

The board said the local had not followed the sequence for accepting members, adopting by-laws and electing officers it held is mandated by TNG's Constitution.

Earlier the board had ordered and held a representation election among the paper's editorial employees after finding that there were 42 persons in the unit, rather than 35, as believed by the Guild, and several persons withdrew their applications for Guild membership.

The ballot box was sealed pending the board's decision on the challenge to the appropriateness of the local's procedures and then destroyed when they were ruled improper.

The board refused to waive the 90-day reapplication waiting period despite the local's correcting the procedural deficiencies the board said had existed.

Sens. Muskie and Kennedy slated for Hill conference

(Continued from Page 1)
by TNG and the Graphic Arts International Union, include: consumer advocate Ralph Nader, United Auto Workers' President Leonard Woodcock, William J. Eaton, Washington correspondent for the Chicago Daily News, and



MUSKIE



KENNEDY

'Is that all we've got, Pop?'



Seaman in the AFL-CIO News

North Jersey hits desk-pay gap

Woodbridge, N.J.—The North Jersey Guild is pressing for the elimination of pay discrepancies between male and female deskpersons at the Woodbridge News Tribune after management agreed to sick pay for maternity disability in accordance with Equal Employment Opportunity Commission guidelines.

Management, in a Guild grievance meeting, refused to raise the pay of three women working on the desk despite the fact that payroll data showed six of seven men working there but none of the women were receiving pay above the \$266 minimum.

The company remained adamant despite expressing concern at the consequences of a possible EEOC investigation.

"The EEOC will come in here like gangbusters," company spokesman David Winkworth said, observing that sex-discrimination complaints have "caused newspapers lots of problems."

"We're not anxious to join the parade," he said.

But Winkworth insisted that

the pay disparity for deskpersons was a result of the timing of promotions rather than sex discrimination and refused to eliminate it through increases for the women.

The Guild executive committee was scheduled to consider

filing an EEOC complaint at its next meeting.

The News Tribune bowed on maternity pay without resistance, agreeing to full pay for a non-member of the Guild during her period of maternity disability.

Puerto Rico files charges after strike at ITT is ended

San Juan, Puerto Rico—The Puerto Rico Guild has filed unfair labor practice charges against International Telephone & Telegraph's Western Hemisphere Directories for firing five employees who struck the company to protest firing of two others the day after the Guild filed a petition to represent them.

The two-month strike had ended April 8 after the National Labor Relations Board dismissed the Guild's representation petition, finding that the group of

10 artists was an inappropriate bargaining unit.

Two days earlier the NLRB had dismissed unfair charges filed over the firing of the two artists that had precipitated the strike. The Guild had accused the ITT subsidiary of firing the pair in retaliation for their organizing activity. The NLRB said it was because of "disturbing conduct" and "disrespectful and insubordinate action toward their immediate supervisors" two days before the petition was filed.

Canada's price elevator

The following table shows the steep ascent of the Canadian Consumer Price Index over a 27-month period following a 0.9-point rise, to 178.9 in March. The first column shows the index, with a 1961 base. The second shows the percentage increase over the same month of the preceding year, and the third the increase over December 1972, when the index stood at 143.3.

	Index	Percentage over	
		Same month prior year	December 1972
March 1974	160.8	10.4	12.2
April	161.9	9.9	13.0
May	164.6	10.9	14.9
June	166.7	10.3	16.3
July	168.0	11.3	17.2
August	169.6	10.8	18.3
September	170.6	10.9	19.1
October	172.2	11.6	20.2
November	174.1	12.0	21.3
December	175.8	12.4	22.7
January 1975	176.6	12.1	23.2
February	178.0	11.8	24.2
March	178.9	11.3	24.8

NESOP's board raises per capita

Saugus, Mass.—The New England Servicing-Organizing Program's Board of Representatives voted April 20 to increase per-capita payments by participating locals 50 cents next Oct. 1, to \$3.50 a month.

They also voted a \$2,000 payment toward a \$5,320 fee owed TNG for services to NESOP locals by temporary International Representative James Orcutt.

NESOP Director Robert E. Bruner reported on progress toward co-ordinating member locals' bargaining with printing crafts.

John F. Barker of Manchester was re-elected NESOP chairperson and Elwood B. Bigelow, Jr., of Portland was re-elected secretary.

BLS budgets are up by 13%, outstrip gain in Guild minimums

(Continued from Page 1)

gin was cut just about in half, from \$25.11 to \$12.12.

And the average top minimum for district managers fell even shorter than it did last year of equalling the "intermediate" budget figure, while the average top minimum for janitors fell shorter than it did last spring of matching the "lower" budget.

The margin between the "lower" budget and the average clerk top minimum, however, was cut slightly, from \$26.53 to \$23.89.

The April 1 average clerk top minimum was \$152.99, with top minimums in 17 percent of U.S. contracts exceeding the average "lower" budget. Last spring 24 percent had been ahead. Clerk top minimums ranged from \$86.10 a week to \$213.44.

Janitors' average top minimum

this April 1 was \$156.48, \$20.40 below the "lower" budget. In just under 20 percent of the contracts were janitors at top minimum paid enough to qualify for the lower-level budget. Last spring it had been 25 percent. Janitors' top minimums ranged from \$107 to \$215.25 a week.

The district-manager average top minimum, which two years ago had exceeded the "intermediate" budget, was \$20.04 short at \$255.59 this year. It had been within \$7.55 in 1974.

District-manager top minimums ranged from \$121.20 to \$404.86 a week, with 1.9 percent exceeding the "higher" budget figure and 39 percent exceeding the "intermediate" budget figure.

Reporter top minimums — which averaged \$287.75 — exceeded the average "higher" budget in 2.5 percent of U.S.

contracts and were above the "intermediate" budget in 54 percent. More than 80 percent had exceeded the middle budget last year; nearly six percent the "higher" budget.

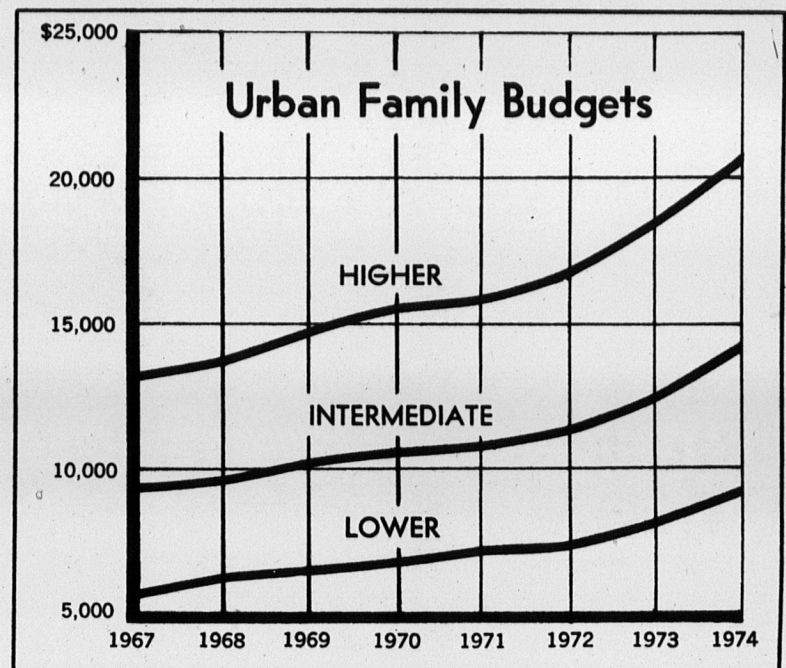
Reporter top minimums on April 1 ranged from \$180 to \$475 a week.

Average April 1 top minimum for classified telephone solicitors was \$194.56 — \$17.68 a week higher than the average "lower" budget. Only 5.5 percent of the minimums, which ranged from \$129.50 to \$301 a week, exceeded the average middle budget figure; 65 percent exceeded the average "lower" budget.

Top minimums for display-ad sales persons ranged from \$180 to \$475 a week, with 4.2 percent exceeding the "higher" budget and 54.9 percent higher than the middle budget.

Local Copy

A PAGE FOR OFFICERS AND STEWARDS



Look at what 'intermediate' budget buys

How well can an urban-area family live on the "intermediate" budget that the U.S. Labor Dept. estimates was needed as of last autumn for an "adequate" standard of living in 39 big-city areas?

The answer is in the fine print in the Bureau of Labor Statistics report on Urban Family Budgets.

The living standard envisioned in the "intermediate," \$14,333 budget calls for these estimated costs:

Food: \$3,548 a year—\$68.23 a week

Housing: \$3,236 a year—\$62.23 a week, \$268 a month

Income Taxes: \$2,010 a year—\$38.65 a week

Transportation: \$1,171 a year—\$22.52 a week

Clothing: \$1,085 a year—\$20.86 a week

Social Security: \$780 a year—\$15 a week

Medical Care and Miscellaneous: \$2,500 a year—\$48.07 a week

Housing costs, up 11.3 per-

Half of budgets' rise last 2 years

More than half the increase in the cost of the Labor Dept.'s Family Budgets in the seven years from 1967 to 1974 came in the last two years; nearly a third in the last year.

Just about 55 percent of the seven year \$3,283 increase in the lower and \$5,257 rise in the intermediate budgets occurred between fall 1972 and 1974; 54.2 percent of the higher budget's \$7,727 increase came in the two years.

cent, are based, a footnote explains, "on the assumption that the home was purchased six years ago." The costs reflect "changes in purchase prices and mortgage interest rates from 1967 to 1968 and changes in property taxes, insurance, fuel and utilities, "plus repairs and maintenance, from 1973 to 1974.

Home-owning costs are calculated for a five- or six-room house with 1½ baths.

Food costs, up 11.5 percent during the year, allow \$3,007—\$57.82 a week—for food eaten at home and \$540—\$10.38 a week—for food away from home.

The family, writes AFL-CIO economist Anne Draper in the Federationist magazine last November, can "buy some of the higher-priced cuts of meat, a few out-of-season foods and some convenience foods."

The family consumes "about 2.7 quarts of milk per day and eats 17.5 pounds of meat a week, about ¾ pound per person per day," she says.

Over two dozen eggs (28), one per day per person, are eaten per week, "including eggs used in cooking."

The family consumes nine pounds per week of vegetables and citrus fruits, including juices, and 8.5 pounds of potatoes.

The children can buy lunch in

the school cafeteria every other day, the husband can buy 1½ meals a week at work and a family meal in a restaurant once every five weeks, Draper reports.

The home under study is equipped with a refrigerator, stove, washing machine, vacuum cleaner, iron and sewing machine, but the family sometimes uses a laundromat.

Other assumptions in the "intermediate" budget include:

- The husband buys a year-round-weight suit every four years and a new topcoat every eight years.

- The wife buys two street dresses, one sweater and one pair of slacks a year, a new house-dress every two years, and 12 to 13 pairs of hose per year.

- There is a two-party telephone line, a TV set, a radio and a record-player.

- The family subscribes to a newspaper, but little money is allowed for magazines and books.

- The children go to the movies once a month and the parents go every three months.

- For medical care, the family has a hospital-surgical insurance contract partly paid for by the husband's employer. Other medical expenses, including dental care, are paid by the family.

- There is no allowance in the intermediate budget for lodgings away from home. If the family goes on vacation it stays with relatives or friends.

- While there is provision for life insurance, it is only for premiums of \$160 a year.

The BLS estimate of \$3,236 a year for housing costs provides \$207.75 a month for shelter, i.e., payment of principal and interest on the mortgage, plus taxes, insurance, water bills, refuse disposal, heating fuel, gas, electricity, plus the cost of home repair and maintenance.

In hot climates, an extra charge for running a window air conditioner is allowed.

Almost all the families own cars. They buy a two-year-old car every four years.

They travel 9,500 a year in the auto, using about 12 gallons of gasoline a week at 15 miles per gallon.

The intermediate family clothing budget provides the 13-year-old son three pairs of slacks, two pairs of dungarees, five sport shirts, one sweater and one sport coat or jacket every year, and a

suit occasionally. Also he gets three pairs of street shoes and one pair of sneakers a year.

The 8-year-old daughter gets three dresses and one blouse a year; a lightweight coat every three years and a heavyweight coat every other year in cold climates. One skirt, a pair of slacks and two pairs of street shoes can be bought every year.

The husband gets a haircut every other week, the son once a month.

The wife is permitted a shampoo and set every three months, and a haircut every four months. Also she is allowed money for a permanent wave once a year.

Uninsured medical care costs include 13 visits to the doctor's office each year—about three visits for every family member—and 16 prescriptions. Teeth are checked once a year.

The middle-income family buys five phonograph records a year, a radio every 2½ years and a television set every 10 years.

Cigarettes were removed from the family budget in 1967 but the 1974 intermediate budget allows 1.6 cigars a week and 21 ounces of pipe tobacco a year.

A six-pack of beer can be bought twice a month; a fifth of liquor and a fifth of wine four to five times a year.

The housing budget includes money for replacement of household equipment on this timetable: a toaster lasts 33 years, a vacuum cleaner 14 years, an iron 11 years and a washing machine about seven years.

COL ups budgets 2% since Oct.

The Labor Dept.'s intermediate and higher Family budgets' costs increased about two percent through March since they were calculated last fall, according to the AFL-CIO economist Anne Draper.

The lower budget's cost increased .3 percent, according to her computations, which "factor in" the 1975 income-tax cuts passed by Congress late in March.

The increases put the lower budget at \$177.45 a week, the middle at \$280.96 a week, and the higher at \$406.75.

BLS budgets vs. U.S. minimums

The following table compares the highest clerk and reporter top minimums and the highest reporter starting minimums in 26 areas as of April 1, 1975, with the weekly cost of the Bureau of Labor Statistics' lower, intermediate and higher budgets for those cities. (Comparisons for four

cities — Chattanooga, Knoxville, Memphis and San Antonio—for which BLS does not issue individual figures are with the closest comparable cities for which budgets are issued.) The BLS budgets are for autumn, 1974, and do not reflect subsequent living cost increases.

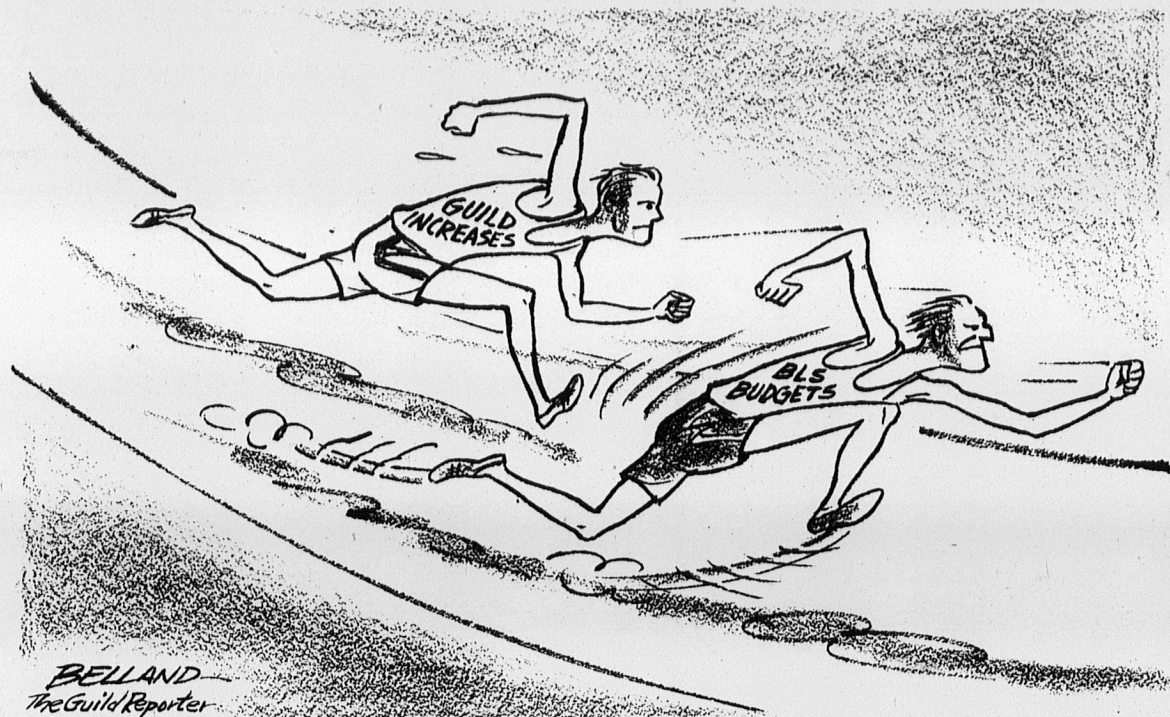
Area	Clerk Top**	Lower Budget	Reporter Start*	Middle Budget	Reporter Top*	Higher Budget
U.S. average	\$152.99	\$176.88	\$177.91	\$275.63	\$287.75	\$399.56
Boston	180.00	191.02	287.50**	321.63	331.00**	475.15
Buffalo	166.75	179.46	179.30	295.46	365.17	424.92
New York	213.44	189.46	375.86	320.15	404.86	489.81
Philadelphia	161.50	181.40	207.85	283.79	342.94	409.60
Pittsburgh	164.00	171.40	182.00	266.85	317.00	384.60
Portland, Me.	131.50	181.46	162.25	282.63	234.00	391.67
Chicago	161.75	184.06	231.00	284.56	348.50	407.27
Cincinnati	173.80	166.98	188.97	264.48	316.00	369.29
Cleveland	170.40	175.46	187.50	281.10	320.00	398.69
Detroit	168.72	175.73	201.40	276.73	336.25	406.58
Indianapolis	155.20	173.58	155.15	271.54	256.45	385.00
Minneapolis-St. Paul	143.47	180.12	178.00	286.87	337.00	417.31
St. Louis	162.74	170.42	191.66	266.52	367.66	381.69
Austin (San Antonio)	103.83	155.92	117.32	230.23	225.51	344.50
Baltimore	167.00	182.62	174.00	276.88	326.00	401.65
Nashville (Chattanooga)	139.11	161.58	133.46	249.92	263.52	359.00
(Memphis)	131.65	—	164.40	—	290.00	—
(Knoxville)	111.00	—	168.37	—	259.80	—
Washington	222.00	186.98	238.25	289.13	475.00	417.79
Bakersfield	149.56	167.33	167.63	250.00	288.79	354.12
Denver	157.00	172.40	200.00	261.65	341.00	378.33
Los Angeles-Long Beach	171.82	183.15	168.59	270.54	298.23	400.82
San Diego	164.25	178.54	164.06	268.79	314.75	392.48
San Francisco-Oakland	174.09	191.79	211.81	290.50	355.52	422.69
Seattle	180.25	185.19	224.50	278.60	341.50	393.79
Honolulu	195.19	218.90	267.25	327.29	340.50	491.77

* Lowest-paid clerical classification.

** Highest minimum in cities where there is more than one contract.

*** Outside ad sales minimum. Editorial department not covered by Guild contract.

Faster we move, behinder we get



DATELINE: WASHINGTON

Unanswered questions not asked in the Connally bribery trial

By WILLIAM J. EATON, Chicago Guild



TWO YEARS AGO on April 30 the full dimension of the Watergate scandal became apparent with the forced resignations of White House officials H. R. Haldeman, John D. Ehrlichman, John W. Dean and Atty. Gen. Richard G. Kleindienst.

Since then, the special prosecutor's office was created, threatened with extinction in the "Saturday night massacre" and then vindicated in the major case it brought against Haldeman and former Atty. Gen. John N. Mitchell.

President Ford's hurried pardon blocked any prosecution of the alleged ringleader of the conspiracy to obstruct justice—Richard Nixon.

And Kleindienst not only escaped a prison term but received a blessing from Federal Judge George L. Hart, Jr., despite his plea of guilty to deception of a Senate committee investigating the antitrust suit against International Telephone and Telegraph Corp.

The last major trial of the Watergate era has ended with the acquittal of John B. Connally, once Nixon's favorite Democrat as Secretary of the Treasury.

The verdict showed how silly it was for Nixon's former hatchmen to claim they could not get a fair trial in the heavily black, overwhelmingly Democratic city of Washington. There were 10 blacks and two whites on the jury in the Connally trial—a larger black percentage than the panel in the conspiracy case.

Different outcomes were produced by different evidence:

- At the Watergate trial, the three major defendants were convicted in part by their own words on Nixon's nefarious tapes.

Date changes

The Guild Reporter, regularly published on the second and fourth Fridays of the month, will be published the third and fifth Fridays of May—May 16 and 30 rather than May 9 and 23.

- In the Connally trial, the chief prosecution witness was not a memory wizard named John Dean but a sneaky looking lawyer named Jake Jacobsen who was buying leniency for himself with his testimony.

Certainly the government did not prove beyond a reasonable doubt that Connally accepted \$10,000 in cash from Jacobsen in return for help in raising milk price supports in 1971.

The trial did produce some fascinating evidence from Connally, however, that could become relevant if he pursues the Presidency as a Republican.

It is Connally's sworn testimony that Jacobsen offered—and he refused—\$10,000 in cash from a dairy group for a personal political fund. Three months afterward, Connally said, he intervened on Jacobsen's behalf with the head of the Federal Home Loan Bank Board while he was Secretary of the Treasury. The board wanted Jacobsen out of the savings and loan business in Texas, Connally said. The prosecutor never asked why a cabinet officer would seek a favor from a regulatory agency.

CONNALLY SAID Jacobsen again offered him \$10,000 in cash in August, 1972, for the "Democrats for Nixon" drive headed by Connally although Jacobsen no longer worked for the dairy co-operative. Connally said he rejected that offer, too.

Jacobsen filed for bankruptcy in June, 1972, showing that he was eight million dollars in debt. Would a man so besieged by creditors offer to give away \$10,000 less than two months later for the best-financed presidential campaign in history?

During the trial, defense lawyers pictured Jacobsen as a thief who used the \$10,000 himself. If so, why would he bother to make one offer to Connally, let alone two?

Jacobsen also produced \$20,000 in cash for the prosecutors, testifying that in 1973 Connally gave him \$10,000 to replace the alleged bribe and then provided another \$10,000 because some of the bills in the first bundle were not in circulation in 1971.

Connally denied all of this.

If Connally told the truth, what is the source of the \$20,000? Could the bankrupt Jacobsen come up with that kind of cash just to cook a story?

Connally acknowledged that he sent transcripts of his testimony to federal investigators to Jacobsen and Jacobsen returned the favor. If this was not an effort to see that their stories jibed, it almost defies explanation.

FINALLY, THE FORMER Texas governor insisted that he summoned Jacobsen to his law office by chartered plane on Oct. 29, 1973, to discuss a bank charter application—and not the milk money investigation then threatening to ruin Connally's political ambitions.

Jacobsen said he made the flight to pick up the first \$10,000 in cover-up money. If Connally's story is true, the two men did not even talk about Jacobsen's imminent appearance before a federal grand jury in Washington.

Why not discuss the legal business by telephone? Connally said he wanted to see Jacobsen in person to assess his emotional condition—although he had seen him just three days before.

Clearly, the jury believed John Connally's denials that he ever got money from Jacobsen in 1971. But the defense testimony raised new questions about Connally's relationship with the man he now denounces as a false witness.

Scripps League gets Haverhill's Gazette

Haverhill, Mass. — Hagadone Newspapers of Coeur d'Alene, Idaho, a division of Scripps League Newspapers, Inc., has purchased the Haverhill Gazette where advertising, business, editorial and maintenance employees are covered by a Boston Guild contract.

Wallace G. Donaldson, advertising director of the chain's Sioux City, Iowa, Journal, also a Guild paper, will become publisher of the 23,000-circulation Gazette.

Editorial

Suddenly its 1951

The Bureau of Labor Statistics goes to some lengths in issuing what it now calls its Urban Family Budgets to try to explain what the budgets are and what they are not.

For instance, in issuing those reported in this issue of the Guild Reporter, the BLS stated again that the budgets "are for a precisely defined urban family of four: a 38-year-old husband employed full time, his nonworking wife, a boy of 13 and a girl of 8. After about 15 years of married life, the family is settled in the community and the husband is an experienced worker. The family has, for each budget level, average inventories of clothing, house furnishings, major durables and other equipment."

"The budgets pertain only to an urban family with the specified characteristics," the BLS emphasizes. "The budgets are not intended to represent a minimum or subsistence level of living," it says. (Believe that after examining the report on what the "intermediate" budget provides on page 7.)

Further, the BLS says, "the budgets do not represent how families of this type actually spend their money." (Right! Just try to get by with one year-round man's suit every four years; two women's street dresses a year; two pair of dungarees—translate jeans—and one pair of sneakers a year for a 13-year-old boy; one lightweight coat every three years and a heavyweight one every other year for an 8-year-old girl—how do you stretch the sleeves as her arms grow?)

The 1974 "consumption budgets" were "derived," the BLS said, "by applying price changes between autumn 1973 and autumn 1974, reported in the Consumer Price Index for individual areas, to the appropriate autumn 1973 budget costs for each main class of goods and services."

"The last direct pricing for the budgets was in 1969," it points out, adding that "this method of updating is approximate."

What the budgets do, the BLS says, is "they reflect the assumptions made about the manner of living at each of the three levels."

Or, as it said in 1967, the budgets provide "one answer to the question, 'How much does it cost to live?'"

They provide one of several "benchmarks" against which we can measure our rise and/or fall on the economic ladder.

Consider then the "benchmarks" in the budget story beginning on page 1. They show that a whole host of Guild minimums—U.S. averages as well as individual-contract rates—have slipped in the past year.

The average reporter top minimum, for example, had its margin over the average "intermediate" budget cut just about in half, to about \$12.

That's the same margin that existed in 1951, except then we had worked our way up to it. By 1959 the margin had fallen to a \$9 lead for the average reporter top and by 1966 the average of what the BLS then described as a "moderate living-level" budget had shot ahead of the average reporter top minimum by \$23 a week.

Because it suddenly is 1951 again, 1959 and 1966 don't have to be close behind. We have ample warning to prevent history repeating itself, if we will just reach a little harder for our second wind.

The Guild Reporter

JAMES M. CESNIK
Editor

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