

Monopoly scheme in closure of Press?

Cleveland A federal judge has concluded that a jury could well find that the head of the Newhouse chain and the last owner of the Cleveland Press conspired to close the Press three years ago to create a monopoly for Newhouse's Cleveland Plain Dealer.

Federal District Court Judge Ann Aldrich did so in a 52-page opinion filed March 20 which dismissed an antitrust suit by 89 printers who lost their jobs when the Press was closed on June 17, 1982.

Aldrich held the printers did not have legal standing to bring the civil action because they had failed to present any evidence that they were primary targets of the alleged

U.S. JUDGE SUGGESTS ONE

conspiracy. Absent such evidence it is up to the Justice Dept. to bring civil or criminal antitrust action, she said.

Less than a week later, the Beacon Journal in nearby Akron reported that attorneys in the Justice Dept.'s Cleveland office recently had visited Washington to discuss with superiors the future of a special grand jury investigation of dealings between S. I. Newhouse, Jr., and businessman Joseph Cole before Cole closed the Press.

Documents obtained by the Beacon Journal last year under the Freedom of Information Act showed that Justice Dept. attorneys in Cleveland had tried to investigate the situation the summer the Press was closed, but dropped the effort on orders from Washington.

After a series of articles in the Beacon Journal revealed that Newhouse had agreed to pay Cole a total of \$22.5 million one week before he closed the Press, the grand jury probe was launched last

fall. The Knight-Ridder paper reported March 25 that the Cleveland office has been "under heavy pressure to conclude the case."

In her March 20 decision, Judge Aldrich said that "the record is replete with facts from which a jury could conclude that [the] Plain Dealer, Press Publishing and Cole conspired together in restraint of trade for the purpose and with the intent of creating a monopoly in the product market of daily and Sunday newspapers for the Greater Cleveland area."

In their suit, filed in February of 1983, the printers alleged that Cole and Newhouse had conspired to close the Press in order to deprive them of the lifetime jobs guaranteed under the Press-Typographical Union contract. The suit sought \$120 million in damages. The printers' attorney said they would appeal Aldrich's decision or bring a new suit under Ohio law, or both.

After reviewing information presented during the case's two years in court, the judge said that while there is clearly "a disputed issue of material fact with respect to the defendants' possible intent to encourage, facilitate or ensure

(Continued on Page 4)

Suit says sales pay sex based

St. Louis—The St. Louis Guild and 21 members at the Post-Dispatch have filed suit in federal court charging the Pulitzer daily with unlawful sex discrimination in its advertising department.

The class-action suit, filed in the U.S. District Court for the Eastern District of Missouri March 25, charges the company with maintaining lower wage rates for advertising jobs predominately filled by women than for those advertising jobs predominately filled by men.

It also alleges that the company has "intentionally established and maintained" a pattern of sexual segregation in its advertising sales force by primarily filling inside sales jobs with women and outside sales jobs with men, and "subsequently confining" women to positions on the inside sales force.

These actions are in violation of Title VII of the Civil Rights Act of 1964, the suit charges.

As a remedy, the suit seeks adjustments in the wage rates of three inside sales jobs—classified telephone sales representatives, telemarketing sales representatives and voluntary classified advisors.

Both classified telephone sales representatives and telemarketing representatives, filled mostly by women, "perform work requiring substantially equal components of skill, effort and responsibility" as the work performed by outside

(Continued on Page 6)



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DOUG LOUTH/Vancouver-New Westminster Guild

One up on Revenue Canada

Vancouver-New Westminster Guild members involved in a dispute with Canada's federal income-tax collectors over supplementary strike benefits received in 1979 from the "profits" of a strike paper celebrate a federal judge's ruling that the benefits

are not taxable (Story, Page 5). From left, above: Jan O'Brien, Carole Dickinson and Virginia Manning, all among the six principals in the court contest, Reg Penning, treasurer of the local at the time. Ruling also may resolve similar dispute in Victoria.

Membership urged to study IEB's finance program

Washington—So delegates to TNG's 1985 Convention will be prepared to "make conclusive decisions" on the Int'l Executive Board's recommendations for renovating the union's financial structure, local officers are being urged to encourage members to study and comment on the IEB's proposed long-range finance program.

The multi-faceted proposal to increase income at the local and international levels while also paring costs at both levels was approved by the IEB during its January meeting (Guild Reporter, Feb. 8).

The IEB acted in response to a

directive from last year's convention that it study the union's finances and develop a long-term program for improvement. The proposals are based on conclusions drawn during a three-day meeting last fall of local leaders from throughout the Guild and the deliberations of an expanded IEB Finance Committee.

Copies of the IEB's report and recommendations, along with additional analyses and observations by TNG's two top officers, have been distributed to locals.

Stressing the "great importance" of the proposals, TNG President Charles A. Perlik, Jr., and Secre-

tary-Treasurer Charles Dale in the March 22 distribution urged local officers to provide members an opportunity to study the information and comment on it.

Proposals designed to lessen the frequency with which higher dues are implemented to replenish TNG's Defense Fund and to raise the level of benefits paid to striking

and locked-out members "are laudable and desirable," the officers observed, also noting, however, that both actions require "new money" and "new membership resolve" to carry them out.

The program being recommended for the convention's approval calls for increasing the "cushion" between the Defense

Fund asset levels that "trigger" and "cut off" the payment of higher dues to restore funds disbursed from the Defense Fund in strikes and similar situations.

The next time a period of higher dues is triggered by Defense Fund liquid assets dropping below \$4.5 million, the program calls for those

(Continued on Page 2)

Defense levy postponed to summer

Washington—A period of Guild-wide higher dues to replenish TNG's Defense Fund is being postponed until after this summer's TNG convention acts on the Int'l Executive Board's proposals for restructuring Guild finances, TNG President Charles A. Perlik, Jr., and Secretary-Treasurer Charles Dale have advised locals.

The payment of strike benefits to more than 200 Puerto Rico Guild members throughout their

141-day strike against the San Juan Star left the Defense Fund balance below the \$4.5-million level that triggers a period of full-regular dues under TNG's Constitution.

Following the March 3 conclusion of the San Juan strike the liquid assets of the Defense Fund were more than \$100,000 below the \$4.5-million trigger point, the officers reported in a March 26 letter to local presidents and treasurers.

TNG's Constitution authorizes

higher dues whenever the liquid assets of the Defense Fund drop below \$4.5-million. They remain in effect until the assets are restored to \$5 million.

A recommendation that the higher-dues "cut off" be raised to \$6 million is a major part of the IEB's long-term program being recommended to the convention for renovation of the finances of both TNG and locals. As proposed by the IEB, the program would be

(Continued on Page 2)

Per capita increases 47¢
Page 3

ITU vote on Teamsters set
Page 4

Members urged to study IEB finance program

(Continued from Page 1)

payments to continue until the Defense Fund reaches \$6 million. The "cut-off" level currently specified by TNG's Constitution is \$5 million.

Tripling the margin between the Defense Fund level that triggers higher dues and the cut-off point responds to a "growing concern" about "membership restiveness" when periods of higher dues are implemented. Perlik and Dale said. Once the Defense Fund is built to a level of \$6 million, \$1.5 million will be available for strike-benefit payments, rather than the current \$500,000, before another period of higher dues would be triggered, they pointed out.

Additional funds generated for the Defense Fund under the IEB's proposal will also allow for the gradual increase in strike benefits the officers said. Basic benefits paid to striking or locked-out members would be raised in \$10 increments over a five-year period to \$150 a week, from the current level of \$100.

New Defense Fund revenue also would be raised through restoration of the 80-20 percent apportionment of per-capita payments between TNG's General Fund and Defense Fund and from an increase in the per-capita rate, itself.

The apportionment of per capita between the General Fund and Defense Fund has been based on an 85-15 percent split since 1982 when the convention approved a temporary reapportionment to bolster the General Fund.

A higher level of funding for TNG's General Fund is a major focus of the finance program, the officers noted. That aspect of the plan is intended to correct a "fundamental weakness" in the fund from which the union's operating expenses are paid, they said, pointing to deficits in its operation in 16 of the last 25 years.

A healthier General Fund also would "open the way for decision on long-sought choices in service

ing and research functions" TNG provides its locals, they said, citing, by way of example, the longstanding need for TNG to engage a full-time specialist in the field of pensions, health insurance and other benefits.

The "explosion of interest and concern" over health benefits and costs, pension plans and new benefit areas deserves a more adequate response than TNG has been able to provide, they said.

Pointing to another area for new General Fund investment, the officers noted that the current special organizing program and funds generated by last year's special assessment will run out about the time new per-capita rates would trigger under the proposed finance program.

"Were this program then in place," the option of continuing the organizing program "even on a reduced basis" could be approached "much more comfortably," they said.

Under the proposed finance program the formula for computing TNG's per-capita rate would first be changed from the current 1.65 percent, plus \$1.35, to a straight 1.939 percent, and then raised each April 1 for five years thereafter by 0.05 percent until it reached 2.189 percent.

The formula is applied to the reporter top minimum average in Guild daily newspaper contracts each April 1 to compute the per capita locals pay TNG for the coming year.

The program also would raise the Minimum Dues mandated for Guild locals by TNG's Constitution from the current monthly rate of 5 percent of a week's pay, plus \$1.50, to 7 percent, over a six-year period.

The first rise in the Minimum Dues, to 5.5 percent, would take place a year before the first change in TNG's per-capita rate.

In the area of cost-cutting, the recommendation that TNG switch to holding conventions every two

years, rather than annually as it does now, would produce annual savings of at least \$200,000 for TNG and its locals, the officers said, citing a survey of Guild convention costs. That survey, conducted in advance of last fall's financial forum, showed that TNG and its locals spent just over \$400,000 for expenses associated with 1984's convention in San Juan, and nearly that much—\$388,000—for the convention in Cleveland the year before.

In addition, the savings in staff time—time freed for other projects—would be enormous, the officers pointed out. They estimated the saving for compensatory time off for weekend staff work associated with conventions at about \$20,000.

"The question poses itself easily and starkly," they said: "Does the savings in money and time" that would result from a switch to biennial conventions "justify surrender of the advantages that ensue from once-a-year gatherings?"

Addressing the other major cost-saving feature of the program, the purchase of a headquarters building for TNG, with space to accommodate tenants, Perlik and Dale noted that TNG's rent has risen by 75 percent, to \$190,000 a year, since 1982. Real estate authorities anticipate that rent for comparable space will have increased by nearly 50 percent, to \$280,000, by 1987 when TNG's current lease will have expired, they said.

"Responsible advice" suggests, the officers said, that TNG should purchase or have constructed a building about twice the size of its present needs in order to accommodate tenants and future expansion. Locating headquarters in the Washington suburbs appears "prudent . . . in the interest of getting the best possible deal" for TNG's housing dollar, they noted, adding that "the general concept of acquiring a building is the only step that makes sense if any meaningful cost-cutting is to result."

The IEB's program calls for the purchase of a headquarters building to be financed in part by an interest-free loan from the Defense Fund. Such a loan would be treated as a liquid asset of the fund, thereby eliminating the possibility that the loan would trigger higher dues.

The program recommended by the IEB also calls for an examination of TNG's data processing needs and the purchase of an in-house computer system. TNG has begun the process of selecting "a modern, yet modest, system" of electronic data processing equipment, Perlik and Dale said, noting that the project will go forward regardless of the disposition of the finance program.

The change to in-house data processing will be a cost-cutting move once the initial investment is made, they said, since it will eliminate the current arrangement of contracting with a computer service bureau.

Another aspect of the IEB's finance program, a continuation of higher dues at half the usual rate for an estimated two-month period to fund TNG's severance-pay obligations, is "a modest step to set TNG's employee relations right with its staff," the officers said. They noted that although unqualified severance pay has long been a condition of employment with TNG, it has never set aside adequate funds to meet this obligation, thus causing a "painful and enervating" slowdown in the union's cash flow when a long-term employee leaves the staff.

Since the board adopted its recommendations in January, the New York Guild's executive committee and its representative assembly have gone on record against a switch to biennial con-

ventions and have called for a membership referendum on any dues changes.

The local's board acted on the recommendation of local President Barry Lipton, who said, however, that he supports the concept of overhauling TNG's financial structure.

Pacific Northwest Guild Administrative Officer Robert E. Bruner, meanwhile, has told that local's executive board that he will oppose many aspects of the plan if he is elected a delegate to the convention.

Bruner was quoted by the local's publication as saying that he opposed "about three-fourths of this, including the increased per-capita tax," and that he would work to send it to membership referendum if it is passed by the convention.

The New England District Council voted its endorsement of the program. So far, it is the only district council to have taken an action on the proposal.

Four members of the IEB who voted on the finance program took exception to specific aspects of it.

Both vice presidents from New York—David M. Mulcahy and Peter E. McLaughlin—took exception to the proposal for biennial conventions and also said that while they supported the rest of the report they felt it should go to membership referendum after being approved by the convention.

Vice Presidents Larry D. Hatfield of San Francisco-Oakland and Roger L. Stonebanks of Victoria also took exception to the biennial convention proposal. Hatfield also said he opposed the building-purchase proposal, while Stonebanks said that he opposed authorizing any loan from the Defense Fund toward a headquarters building.

Sacramento Union reduces staff

Sacramento—Voluntary resignations and elimination of several temporary positions has reduced to 13, from 22, the number of Guild-covered employees dismissed in an economy move at the Sacramento Union.

Announcement in February that 22 jobs would be eliminated came after all five unions representing Union employees rejected a company proposal to extend a wage freeze that took effect in 1984.

Guild-covered advertising, business, circulation, editorial and maintenance employees agreed last year to delay until this May a 5 percent increase that was to have taken effect last May.

Members of the Pressmen's union also had agreed to a similar

year's wage freeze, while contracts with Typographical Union printers and mailers and the platemakers' union have gone un-renewed.

The staff cuts among Guild-covered employees took effect March 25. It was estimated that elimination of the 22 jobs would produce annual savings of \$729,000, while the deferral of the 5 percent increase would have saved the company \$272,000 in a year, a local representative said.

Some reductions had also occurred among management employees.

The company's proposal to continue the wage freeze included no protection against economic dis-

missals, the Guild representative noted.

In a joint response to the company's freeze proposal, representatives of the five unions noted that no union-represented employee of the paper had received a negotiated increase since May of 1983 and for printers and mailers "it has been far longer."

The 1984 freeze was approved "in the spirit of sharing a sacrifice" to improve the paper's solvency, the union representatives wrote, noting that the company's request for a second freeze "comes at a time when the company's industrial relations policy seems dedicated not to co-operation but to confrontation."

The paper, which trails McClatchey's Sacramento Bee in advertising and circulation, was said to have cut its losses in the final months of 1984.

The Union is owned by Richard Mellon Scaife.



Secretary-Treasurers meet

TNG Secretary-Treasurer Charles Dale, standing, chats with Ralph A. Legion, secretary of the Electrical Workers, during meeting of secretary-treasurers of AFL-CIO unions in Milwaukee the end of March. Meeting was in conjunction with the 40th AFL-CIO Union-Industries Show. TNG headquarters is located in the Electrical Workers' 12-story building in downtown Washington.

Defense levy postponed

(Continued from Page 1)

implemented the first time after enactment that TNG is in a period of higher dues. The convention will meet June 24-28 in Pittsburgh.

With the convention "barely three months away, it makes good sense in our view to postpone implementation" of higher dues until the convention has acted on the proposed "new program that pivots around" them. Dale and Perlik explained.

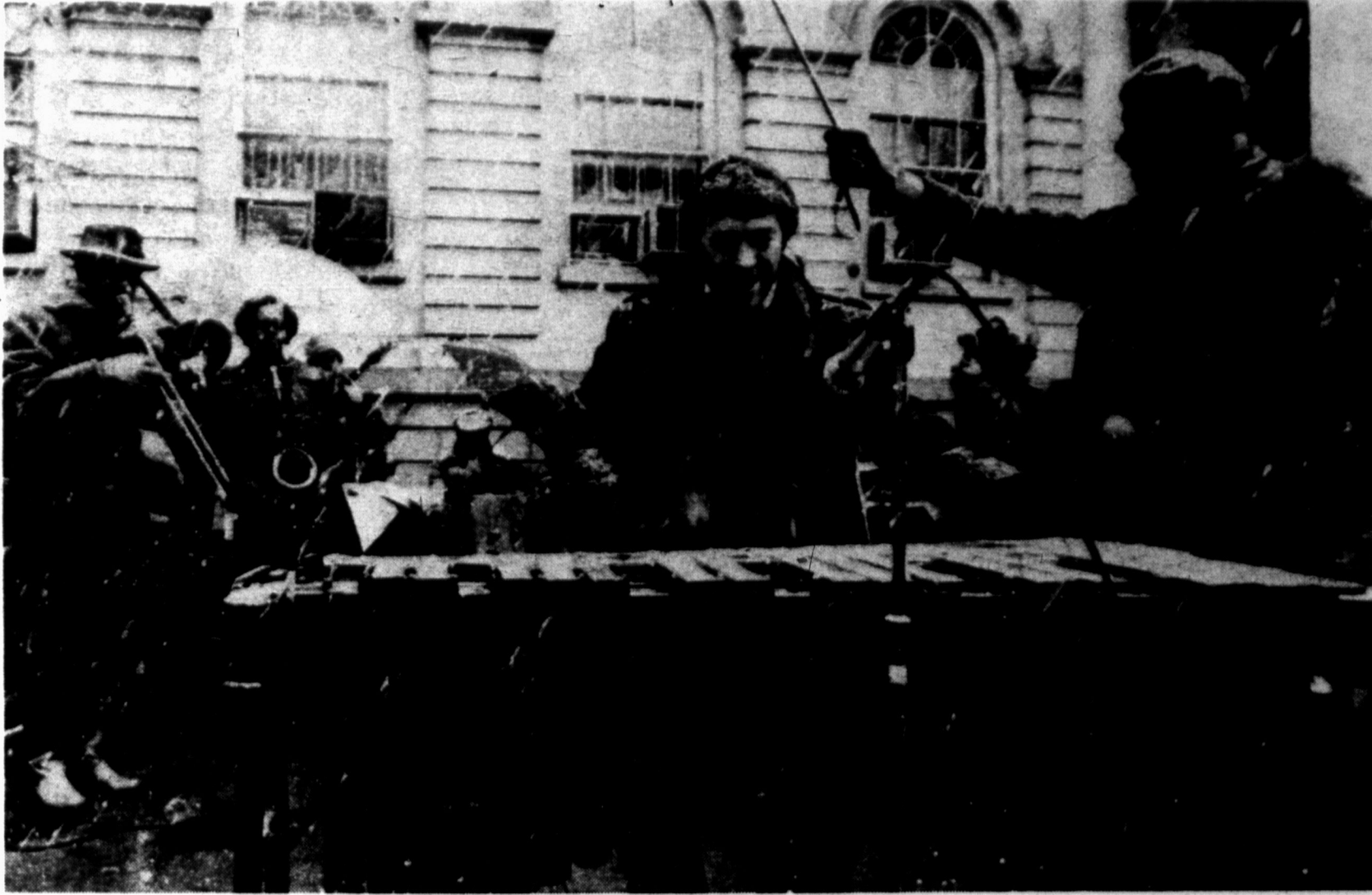
The higher dues payments,

therefore, are being postponed until after the convention "unless the IEB decides otherwise" during its April 22-26 meeting or a "major emergency" should occur in the interim, the officers said.

Higher dues add amounts ranging from \$2 to \$27.35 to the monthly dues of working Guild members under a constitutional formula basing the amount on each member's weekly compensation. All of the additional funds raised go to TNG's Defense Fund

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Le jazz froid?

In a raging March snowstorm, a group of jazz veterans from the New York Musicians union plays a protest concert in an effort to get the city's cabaret law rescinded to eliminate a 15-year-old ban on some instruments as being too

loud for live performances in restaurants. From left: Benny Powell, trombone; Howard Ousley, saxophone; Bill Crow, bass; Richard Wyands, electric piano; Warren Chiasson, vibraphone; union agent Petro Rodriguez, umbrella.

Providence ad rep top up \$64

Providence, R.I.—The top minimum for advertising sales representatives is raised by \$64.22, to \$685.72 a week, and that for reporters and photographers is raised by \$62.72, to \$669.72 a week, in a new three-year Providence Guild contract with the Journal and Bulletin.

These and other increases in the agreement come in three increments, with the first retroactive to Jan. 1 and the others on Jan. 1, 1986 and 1987.

The first increment for ad-sales representatives is \$24.86, taking their top minimum to \$646.36, and is followed by raises of \$19.39 and \$19.97.

The reporter and photographer top minimum's first increase is \$24.28, to \$631.28, and is followed by raises of \$18.94 and \$19.50.

In addition, lifetime benefits available under the hospitalization plan are doubled, to \$500,000, and the plan's payment for hospital charges is raised from 80 percent, to 100 percent, subject to a pre-admission certificate.

The annual deductible payment required of employees before the plan's medical coverage kicks in, meanwhile, is raised by \$100, to \$200 for individuals, and a \$400 cap is placed on the total deductible for persons covered by a family plan.

Life insurance coverage is raised by \$2,000, to \$16,000, and the company's monthly payment toward dental insurance is raised

by \$3.71, to \$27.34, for family coverage.

Company payments to the pension plan are raised by \$3, to \$10.50 a week.

The agreement also calls for the company to properly maintain video display terminals to prevent undue fatigue and eye strain. It also calls for training of employees expected to operate electronic terminals and prohibits termination or transfer of any employee unable to operate the machines.

Other increases and resulting new top minimums include:

Telephone salespersons—Up by \$45.62, to \$487.12 a week, in increments of \$17.66, \$13.77 and \$14.19.

Copy and office clerks, messengers—Up by \$28.37, to \$302.87 a week, in increments of \$10.98, \$8.56 and \$8.83.

Advertising artists, promotion staff, head makeup coordinator—Up by \$65.98 to \$704.48 a week.

Arrest bill protested, dies

San Francisco—A proposal to broaden the power of city police to arrest demonstrators died in committee after several unions, including the San Francisco-Oakland Guild, expressed concern that it could permit infringements on the right of free speech and assembly and result in the arrest of union pickets.

The proposal, before the city's

Copy editors—Up by \$63.96, to \$682.96 a week.

The job of clerk/stenographer is upgraded to parity with data entry clerks, taking the clerk/stenographer top minimum up by \$50.60 over the contract term, to \$364.10 a week.

Starting minimums are frozen during the first two years of the contract, then raised by 1.5 percent in the final year. A one-day waiting period for sick-leave benefits is added for employees hired after Jan. 1.

The agreement also provides for an annual payment equal to 1 percent of each employee's gross earnings in the prior year.

The contract's Guild shop provision is improved to require that nine of each ten new editorial employees become Guild members, the same as for employees of other covered departments. It had been eight of ten in the editorial department.

Public Protection Committee, specifically would have allowed police to arrest demonstrators under an ordinance prohibiting the obstruction of streets, sidewalks or passageways without first issuing a dispersal order or giving other warning.

In a letter to city supervisors on the committee, Guild officers warned that "the establishment of virtually unrestricted police powers" to break up demonstrations would pose a danger "to citizens, including union pickets, exercising their freedom of speech and assembly."

The proposal was tabled following a March 14 committee hearing attended by numerous union officials.

An assistant district attorney told reporters following that session that the proposal had not been aimed at union pickets but at large demonstrations similar to ones surrounding last summer's Democratic National Convention in San Francisco. The amendment would merely have codified what already exists, the city official said.

Formula raises per capita 47¢ to \$10.57 rate

Washington—With the average daily newspaper reporter top minimum being paid under Guild contracts on April 1 up by \$28.92 a week over a year earlier, per-capita payments by Guild locals to TNG will increase by 47 cents, to \$10.57 a month, on May 1 under a constitutional formula linking the two.

The per-capita increase applies only to the monthly payments made by locals to TNG. It does not affect members' dues.

The increase is 15 cents less than the record increase of 62 cents under the formula in the spring of 1981 and one-cent higher than last year's 46-cent increase.

TNG's General Fund will receive 39.95 cents of the 47-cent increase and the Defense Fund the other 7.05 cents, TNG Secretary-Treasurer Charles Dale said in an April 3 letter to locals announcing the new \$10.57 per capita.

The General Fund's portion of the new per capita will total \$9.187, with the Defense Fund receiving \$1.383.

TNG's Constitution contains the formula that determines the division of per-capita payments between the General and Defense Funds, as well as the formula that provides for annual determination of the amount of the per capita. It also provides that the rate be in effect from May through April, unless changed by the International Executive Board or TNG's annual convention. TNG's 1984 Convention extended for an additional 12 months a 5 percent reduction of the Defense Fund portion of the per capita. The IEB's proposals to this summer's convention for renovation of the Guild's financial structure include a return to the 80-percent, 20-percent apportionment of per-capita between the General and Defense Funds.

The per-capita formula, adopted by TNG's 1964 Convention, bases payments, like local dues, on members' wages. It ties the per capita to a percentage of the average reporter top minimum in effect each April 1 at newspapers published at least five days a week.

The new top minimum average, computed from 118 contracts, was \$558.64, an increase of 5.5 percent over the April 1984 average of \$529.72. That average produced a per capita of \$10.10 that took effect May 1, 1984.

The \$558.64 top minimum average was multiplied by 0.0165 (1.65 percent), producing a figure of \$9.21756, rounded to \$9.22 under the constitutional formula. An additional \$1.35—10 cents voted by the 1969 Convention, 75 cents voted by the 1978 Convention and 50 cents voted by the 1981

Convention—is added to produce the \$10.57 per-capita.

The IEB's finance proposals would eliminate the \$1.35 while, in a six-step procedure, raising the per-capita computation factor to 2.189 percent, from the current 1.65 percent.

In establishing the per-capita formula in 1964, TNG determined that the then existing per capita of \$2.30 represented 1.625 percent of the 1964 top minimum average of \$141.38 a week. The 1967 Convention changed the formula to 1.65 percent.

The formula was designed to provide TNG with increasing income to meet rising costs as members' incomes increase.

Another constitutional formula sets the salaries of TNG's president and secretary-treasurer each April 1 at 2.16 and 2.02 times the reporter top minimum average on that date. The formula will raise the officers' salaries by 5.5 and 5.4 percent respectively, increasing the president's by \$62.46, to \$1,206.66 a week, and the secretary-treasurer's by \$58.15, to \$1,128.45.

In addition, this year for the first time a formula basing the salaries of TNG's professional staff members on 1.65 times the April 1 reporter-top average comes into play. The formula, contained in the contract between TNG and the Federation of Guild Representatives, produces increases ranging from \$32.99 to \$46.26 a week, with the latter putting the top minimum for international representatives at \$921.76 and the former putting the top for a pair of research jobs at \$657.81.

Computation made in determining the new reporter average showed that 55 (47 percent) of the 118 reporter top minimums in effect April 1 had increased by more than the \$28.92 increase in the average. Thirty-two were up by \$40 or more a week; 12 were up by \$50 or more; four by \$60 or more; and two by \$70 or more.

The same compilations showed: 111 daily newspaper contracts with top reporter minimums at or above \$400 a week, up from 102 a year ago; 97 contracts with reporter top minimums of \$450 or more, up from 88 a year ago; 80 with top minimums of \$500 or more, up from 66 a year ago; 48 with top minimums of \$600 or more, up from 37 a year ago; and nine contracts with top minimums exceeding \$700 a week, up from five a year ago.

Seven reporter top minimums were between \$300 and \$399.99 a week, five fewer than a year ago. There were no reporter top minimums below \$300.

Union members more educated

Union members are more educated and a greater proportion of them hold white-collar jobs than the general U.S. population, according to statistics reported by the AFL-CIO's Committee on the Evolution of Work.

For example: 16 percent of union members did not finish high school, compared to 28 percent of the general population; 44 percent are high school graduates, versus 39 percent; 39 percent (vs. 33 percent) have attended college and 21 percent (vs. 16 percent) have completed college degrees, polls commissioned by the committee show.

Fifty-eight percent of union members (vs. 34 percent) see their work as "a career, not just a job," and 41 percent of union members are in white-collar jobs, vs. 33 percent of the general public, according to the same polls.

Locals called to 52nd convention

Washington—The official call to TNG's 52nd Annual Convention has been sent to all Guild locals.

The convention, set for June 24-28, will meet at the William Penn Hotel in Pittsburgh.

In a letter accompanying the official notice, TNG Secretary-Treasurer Charles Dale pointed out that TNG's Constitution requires that convention delegates be elected by secret ballot if there is a contest and that U.S. law includes the same requirement for delegates to union conventions that elect officers.

This year's convention will nominate candidates for all international offices and any who are unopposed will be declared elected, Dale pointed out.

Judge suggests monopoly deal in Cleveland

(Continued from Page 1)

the closing of the Press," the printers "only have standing . . . if there are some facts which indicate that they were not merely injured by the alleged conspiracy but were its targets."

In her review, Aldrich traced much of the history of the Press' 19 months under Cole's ownership, from his purchase of the daily from the E. W. Scripps Co. for \$1 million in cash and a \$7 million promissory note to be paid if the Press ever made a profit through the sale of its presses three months after it was closed.

Cole and his first minority partner in Press Publishing had estimated that the fair market value of the daily's assets was between \$10 million and \$12 million, with no value assigned to its subscription list, the judge noted.

Her review also recounted repeated meetings between Cole and Newhouse beginning in December of 1980, two months after Cole bought the Press, in which Cole sought to interest Newhouse in a joint publishing arrangement between the Press and the Plain Dealer.

Included is a copy of an agreement signed by Cole and Newhouse seven days before the Press was closed in which it was agreed that the last Press would be published on June 17 and that Newhouse would buy the Press' subscription list for a cash price which was left blank in the judge's reproduction of the pact.

In reviewing two early drafts, however, the judge noted that they "offer \$14.5 million for the subscription list and 'personal property' of the Press, undefined except insofar as the printing press was expressly excluded." The "personal property" reference was not in the June 10 agreement.

The judge's review also includes a copy of a bill of sale for the subscription lists dated the day after the Press was closed.

It also recounts Cole and his second partner in Press Publishing forming in 1981 another, limited partnership, Lakeside Associates, which purchased the Press' real estate holdings.

Aldrich also tells of an agreement under which the Plain Dealer bought an advertising supplement put out by another joint venture by Cole and his second Press Publishing partner. It was included in the Press and delivered separately to nonsubscribers. Newhouse paid \$8 million for it.

Information provided the court also showed that between November of 1980 and August of 1981 the Press lost approximately \$500,000 a month, which by late in 1981 had increased to monthly losses of \$750,000 to \$1 million a month, Aldrich noted.

However, she wrote, data on the daily's financial plight in the spring of 1982 "is decidedly mixed."

"On the one hand, Press Publishing sustained operating losses of \$751,957 in April and \$703,704 in May," she wrote. "At the same time, an April 7, 1982, Press Publishing memorandum on the company's future projected monthly profits, from \$49,720 in April up to \$401,620 in August."

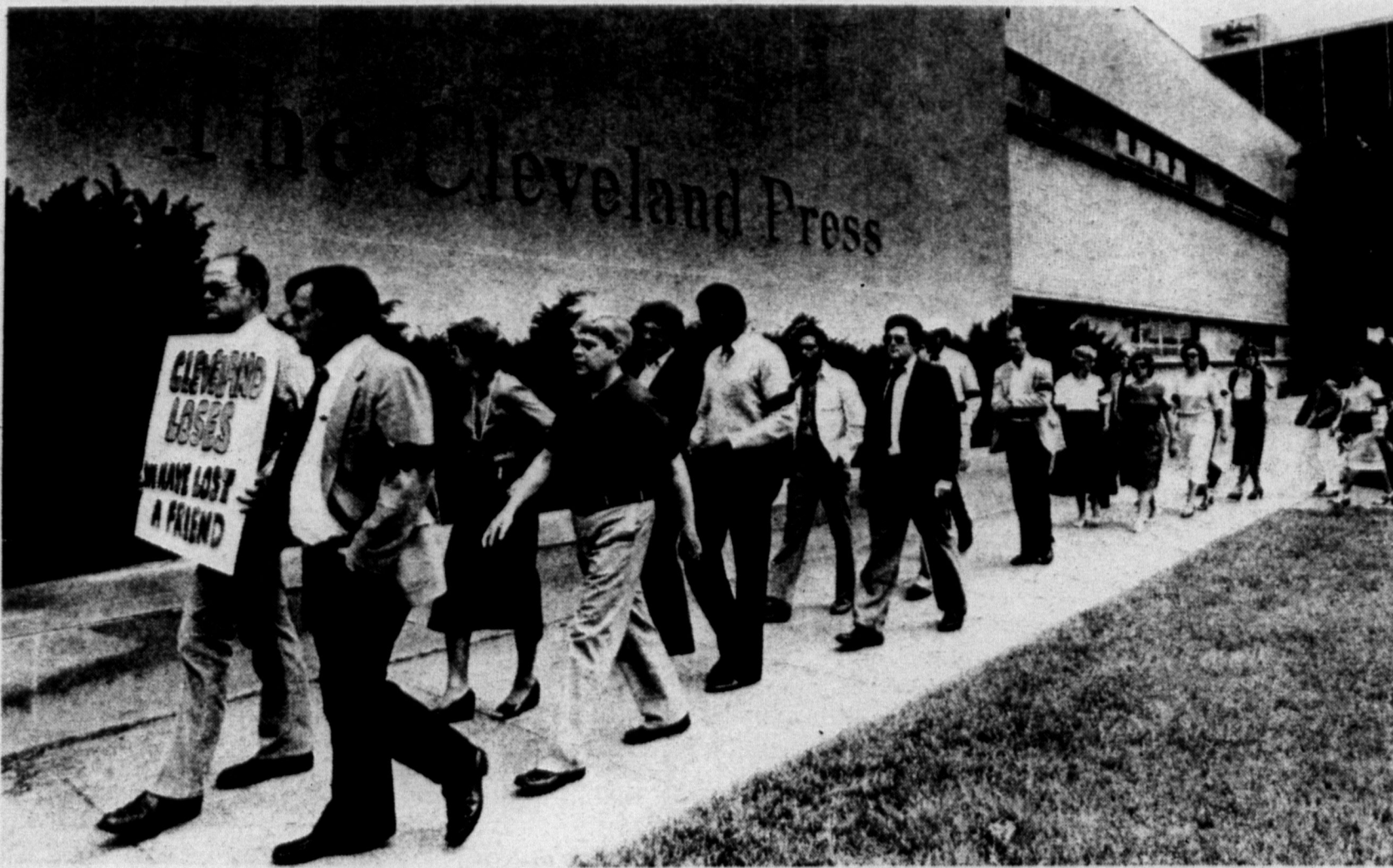
On the Press' final day of publication, the judge also pointed out, a Chicago publisher, John Malone, offered Cole \$7 million for the paper and its equipment. An affidavit from Malone said that "Cole declined the offer with the explanation that his contract with Mr. Newhouse was signed, the subscription list sold and the newspaper irrevocably shut down."

In the conclusion to her decision, Aldrich wrote that "complex antitrust litigation can be conducted with some measure of order and coherence only when standing to pursue private actions is limited to those parties most directly injured by anticompetitive transactions."

"Inevitably, a consequence of these necessary limitations is that not every wrong relating to an antitrust violation can be undone by a private action. . . . For this reason, the antitrust statutes provide that in appropriate cases the Dept. of Justice will vindicate the public interest by commencing a civil or criminal antitrust action."

After the Press was closed the Guild refused to agree to a proposal from Cole that he be permitted to make severance payments to the 285 Guild-represented Press employees in installments rather than in a lump sum as required by the Guild's contract.

Prior to Cole taking over the paper from Scripps-Howard, the Guild and the other newspaper unions representing Press employees had agreed with Cole to packages of contract concessions, including three-year extensions of their contracts with a wage freeze in the first year, which he made a condition of his taking the Press over. Scripps-Howard was prepared to close it.



A SOMBER MARCH BY CLEVELAND GUILD MEMBERS FROM THE PLAIN DEALER

Wearing black arm bands, they demonstrated sympathy for employees of Cleveland Press on June 17, 1982, the day 900 Press employees were told it was closing at the end of the day.

ITU council sets mail referendum on proposal to join Teamsters

Colorado Springs—The Int'l Typographical Union Executive Council by a 3-to-2 vote has ordered a membership referendum on the year-old proposal that would make the 152-year-old printing trades union a part of the Teamsters.

In the process, the council majority which voted to schedule the vote let it be known that they remain vigorously opposed to the Teamsters proposal and will urge the union's members to vote against it.

At the same time, the two members of the council who voted against the referendum order said they remain in favor of the ITU joining the Teamsters but are opposed to the way the referendum is to be conducted under the majority's action.

Under that action, taken April 4, the referendum is to be conducted by mail with ballots sent directly to the ITU's 75,000 working and retired members from ITU headquarters here on July 8.

The vote was scheduled just three weeks after a proposal for merger of the ITU and the Graphic Communications Int'l Union was disapproved by the GCIU General

Board and referendums in the two unions that were set for April 10 were cancelled [Guild Reporter, March 22].

Cancellation of the ITU-GCIU votes brought a renewed invitation from Teamsters President Jackie Presser for the ITU to join his union.

An agreement for the ITU to join the Teamsters was announced in March of 1984 but a scheduled May referendum was blocked by a federal judge in the face of a mail-ballot rerun by the Labor Dept. of the elections of the ITU officers who made the agreement with the Teamsters' Presser. The new council majority elected in the rerun campaigned largely as opponents of the Teamsters-ITU proposal.

"Some of our members want a chance to vote on the Teamsters deal, many just to knock it down," said ITU President Robert S. McMichen, who with Vice Presidents Bill Boorman and Billy J. Austin make up that new council majority. They voted now to set up the Teamsters-ITU referendum.

"Two potential mergers have come and gone over the past couple of years—with TNG and GCIU—without a chance for the members to actually cast a ballot," McMichen pointed out.

ITU Secretary-Treasurer Thomas W. Kopeck and Vice President Allan J. Heritage, the pro-Teamsters survivors of the rerun election, said they objected to the referendum on the Teamsters proposal being conducted by the international, by mail ballot and to the enabling motion not setting forth rules and procedures for the election's conduct and the tabulation of the ballots cast.

The ITU Constitution does not provide for a mail-ballot referendum by the international, they said. It provides only for the ITU to distribute ballots to its locals and for the locals to conduct the balloting under the procedures spelled out in each local's by-laws, which may or may not include mail balloting.

Each also said that whatever the outcome of the scheduled mail-ballot referendum he foresees, as Kopeck put it, "lawsuits forever" contesting the procedure. "The only full employment I can see out

of this will be for lawyers," Kopeck added.

Heritage said that he also feels that the mail-ballot election conducted last summer by the Labor Dept. resulted in reducing voting by the ITU's working members, particularly Mailers, and increased participation by the ITU's retired members, which number some 35,000 of the union's total membership of approximately 75,000.

On a related front, representatives of the ITU and of an ad-hoc, pro-Teamsters Coalition for Merger committee of local leaders were to appear April 12 for a "status conference" before the same federal judge in San Francisco who last year blocked the Teamsters-proposal referendum.

Until the new referendum on the Teamster-ITU proposal was scheduled, the session had been set to hear arguments on a petition by six officers of as many locals who were asking the court to order a referendum on the Teamsters-ITU proposition.

In a hearing on March 25, the judge had denied the local officers' request for an immediate order, instead scheduling arguments on the question for April 12. At the same time he rejected a request by the Teamsters to be permitted to join the local officers' petition as intervenors with a "direct and substantial interest" in the outcome.

Kopeck said he expected the pro-Teamsters coalition would ask Judge Thelton E. Henderson at the April 12 session to order some rules and regulations for the conduct of the referendum ordered by the council in its April 4 action.

Top up \$22, to \$477, in Rockford reopener

Rockford, Ill.—The top minimum for reporters and photographers covered by the Guild contract with the Register Star is raised by \$22, to \$477.06 a week, under the terms of a reopener covering the final year of the local's current contract with the Gannett daily.

The \$22 increase, effective from Jan. 2, brings the total increase at the key top minimum over the four-year term of the agreement to \$98.56. The contract expires April 30.



JOSEPH E. COLE DIRECTS WRECKING BALL INTO OLD CLEVELAND PRESS BUILDING
Cleveland industrialist cleared site late in 1983 for new office complex.

No tax on benefits from strike paper, Canada court rules

Vancouver — Supplemental benefits paid to Vancouver-New Westminster Guild members during a 1978-79 strike and lockout at the Sun and Province are not subject to federal income tax, a justice of the Federal Court of Canada has ruled.

In a March 19 decision, Justice Allan Walsh held that the profits from an interim three-times-a-week newspaper, the Vancouver Express, accrued to the five unions that operated the paper, not to the individual union members.

Although the supplemental benefits paid to Guild members during a seven-month dispute that closed the Sun and Province were funded primarily by profits from the Express, the individual union members had no claim to the profits and were dependent on the unions to distribute them, Walsh said.

"I cannot accept the argument that the newspaper was being operated by the 1,400-odd members . . . most of whom did not even work on it but merely carried out union strike duties," Walsh wrote, rejecting the National Revenue Dept.'s contention that the individual members were engaged in a business and that the proceeds from their joint venture were taxable.

"It is now common ground . . . that union benefits paid out of the general strike fund are not taxable," Walsh said, noting that the government was not seeking to tax the basic strike benefits. Finding the supplemental benefits exempt from income tax as well renders "the profits of a highly successful business" untaxed, Walsh observed, noting that unions' incomes are exempt from taxes.

He suggested that the government might consider amending the tax laws, but ruled that "as the law now stands" the tax assessments

against the six Guild members involved in the case must be recomputed.

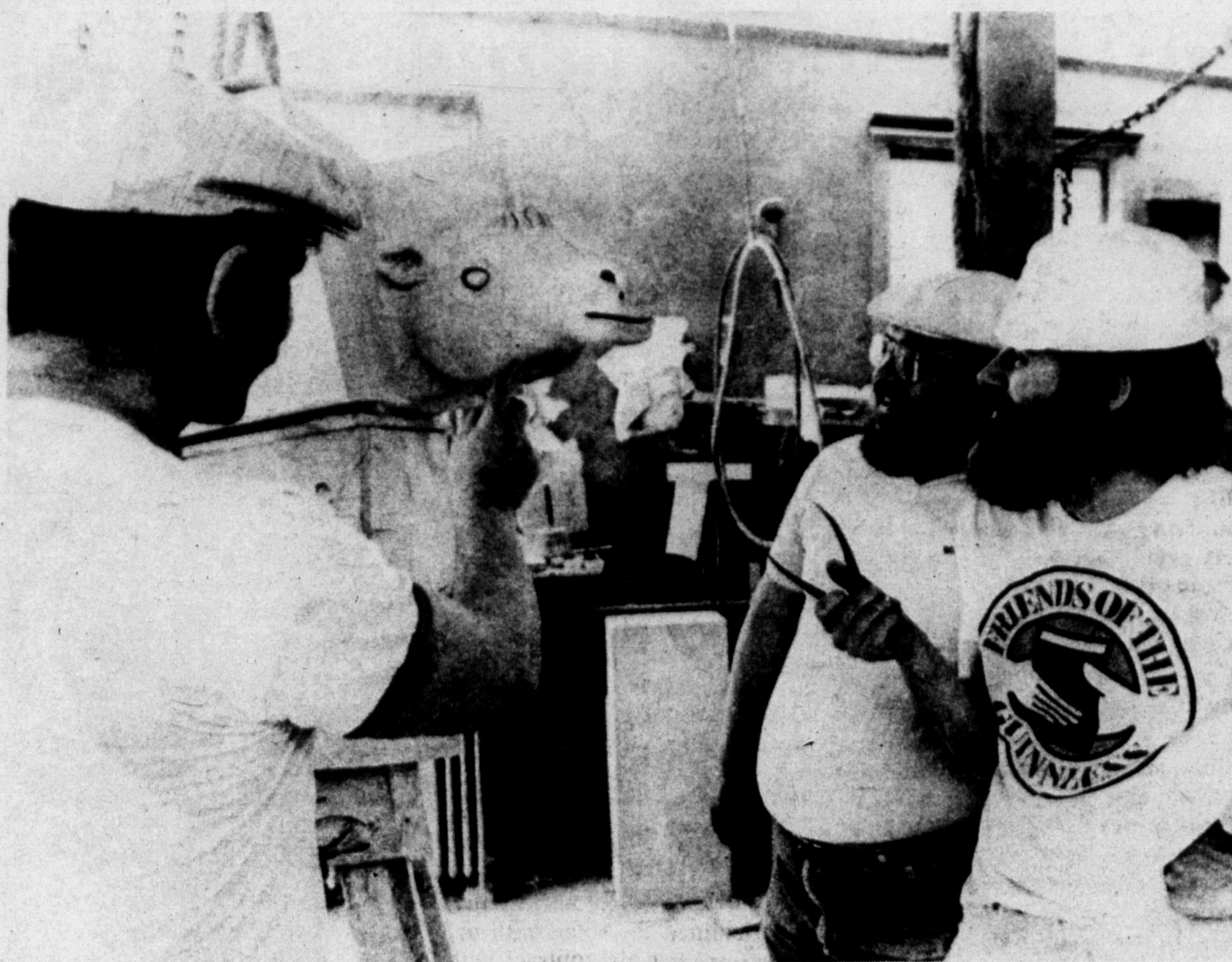
The ruling actually affects some 840 Guild members who collected benefits during the strike and is also expected to apply to members of the other four unions who also received supplemental benefits.

Walsh's ruling came in a case involving one Guild member — titled Jan C. O'Brien vs. Her Majesty the Queen—and incorporating the cases of five other Guild members as well. Supplemental benefits involved ranged from a total of \$1,635.20 to \$4,263.

Walsh's ruling reverses a holding by the Tax Review Board in a similar case involving supplemental benefits paid to members of the Victoria Guild and other newspaper unions in the provincial capital during a 1973 strike against the Times and Colonist. In that case the review board held that benefits supplemented by profits from the unions' publication, the Victoria Express, were taxable. Consideration of an appeal to the ruling has been set aside pending the outcome of the Vancouver case.

In arguing against the government's contention that Guild members were engaged in a business in the publication of the Vancouver Express, Guild representatives pointed out that only about 250 of the 1,400 union members who collected supplemental strike benefits performed work on the Express. Guild benefits were determined by a formula based on pre-strike earnings, not on the basis of the number of hours of work performed on the paper or in other strike-related duties, they noted.

All Guild members from the Sun and Province unit received benefits based on that formula and the amounts received bore no relation



Gargoyles into Oscars

Master stonecarver Vincent Palumbo, fresh from learning that the documentary film featuring him and others working on Washington's National Cathedral won an Oscar, instructs apprentices in the finer points of gargoyle carving.

The film focuses on the lives of the workers who come from generations of Italian and Italian-American stonecarvers who have spent the last two decades working on the edifice. They are members of the Laborer's union.

to the hours put in on the Express or at any other strike duty, the judge pointed out. Only members excluded from benefits were those who refused to perform any duties in the strike-lockout.

Each of the six Guild members in the cases before him performed different duties, Walsh noted:

O'Brien, working on the Express as well as picketing;

Brian Hill, working on the Express and on the Guild's health and welfare committee;

Carole I. Dickinson, picketing;

James R. Steven, on sick leave when the strike-lockout began, picketing whenever able;

Virginia Manning, helping with picket assignments; and Peter Comparelli, working on the Express.

Walsh also pointed out that the

Express' profits were not the only source of the Guild's supplemental benefits to its members; that an admittedly small portion came from such other sources as contributions from other Guild locals and unions.

A substantial amount of the Express' profits also were used to pay the medical plan costs of the members of all five of the local unions involved in the strike-lockout, Walsh observed. The other unions were locals of the Typographical

Pressmen's, Graphic Arts and Mailers.

The government has been seeking to tax the supplemental benefits paid in 1979, but has made no claim against those paid in 1978.

The strike-lockout began on Nov. 1, 1978, and lasted until June 27, 1979.

Walsh issued his ruling on March 19, only six days after a two-day hearing was concluded. The government had 30 days to appeal.

Top at \$489 at 3 dailies

Malden, Mass.—The top minimum for reporters, photographers and outside advertising sales employees covered by the Boston Guild's contract with the

Malden News, Medford Mercury and Melrose News is raised by \$42.50, to \$489.25 a week, under the terms of an 18-month contract.

Of the \$42.50 increase, \$12.50 was retroactive to July 1, taking the top minimum to \$459.25 a week. It was followed by a \$15 increase from Jan. 1, with another \$15 increase due July 1.

A new position differential for copy editors, makeup editors and sports editor sets the flat minimum for employees in those jobs at \$484.25 from July 1, 1984, with additional increases totalling \$30 a week taking the minimum to \$514.25 this July.

The company's weekly payment toward pensions is raised by \$15, to \$20 a week, and its payment for health insurance is raised by \$50, to \$160 a month. Employees are covered by TNG's Int'l Pension Plan.

The new agreement also calls for the company to pay the cost of annual vision examinations for employees working at video display terminals and for the cost of glasses prescribed for VDT work if not otherwise required. An annual check for radiation emissions from terminals also is required.

Martin Luther King's birthday is added as a holiday, bringing the number of annual holidays to nine.

The top minimum for classified ad takers, billing clerks and layout/dispatch clerks also is raised by \$42.50 over the 18-month term, taking the top minimum for those jobs to \$328.50 a week.

Maintenance persons receive a \$30.35 a week increase in their top minimum, taking it to \$349.51.

Hertz puts compact's cost at 49.6¢ a mile

New York—The average cost of owning and operating a new compact automobile rose by 6.6 percent, or 3.1 cents per mile, to 49.6 cents per mile last year, according to the Hertz Corp.'s annual survey of driving costs in 20 major U.S. cities.

Lower gasoline prices in 1984 and a trend toward more fuel efficient cars was "more than offset" by higher new car prices, interest rates, taxes, insurance and maintenance costs, the auto-leasing firm reported.

The rise in average driving costs follows a slight decline in 1983.

Average costs in 1984 were higher in each of the 20 cities included in the Hertz survey. Increases ranged from 2 cents, to 44.7 cents a mile, in Cincinnati—the lowest per-mile cost among the 20 cities—to 5 cents, to 49.3, in Houston.

Highest driving costs, again, were in Los Angeles, where the per-mile cost of owning and operating a compact car rose by 3.8 cents, to 60.7 cents.

Survey costs are for a 1984 compact car—like a Ford Tempo—driven 10,000 miles a year and kept for five years. The cars are equipped with automatic transmission, power steering and brakes and air conditioning.

The cost of gas, oil, maintenance, license fees, taxes, insurance, loan interest and depreciation are included in calculating the costs. Parking and toll charges are not.

The cost of purchasing the compact car ranged from a low of \$8,955 in Detroit to a high of \$9,321 in Chicago, Hertz said.

Insurance, licensing and fees added 23.53 cents to the per-mile cost in Los Angeles, compared to 9.76 cents in Washington, while interest costs added additional amounts ranging from 8.55 cents, in Miami, to 10.07 cents, in Denver.

Fuel and other service station charges ranged from 7.04 cents, in Pittsburgh, to 8.34 cents, in Seattle.

Overall, gasoline and service station charges were 12.6 percent lower than in 1983, while interest charges were up 21.1 percent, maintenance costs were up 9.4 percent and insurance, licenses and fees were up 10.6 percent, Hertz reported.

Purchase price of a new compact car was 11.2 percent higher than in 1983.

Keeping a car for more than five years or driving it more than 10,000 miles a year reduced the

Hertz's cost-per-mile estimates

City	Sub-Compact	Compact	Mid-size	Intermediate	Standard
Atlanta	36.2¢	45.1¢	48.0¢	49.6¢	59.0¢
Boston	38.9	48.5	51.6	53.3	63.5
Chicago	42.3	52.7	56.1	58.0	69.0
Cincinnati	35.8	44.7	47.5	49.1	58.4
Cleveland	36.7	45.8	48.8	50.3	59.9
Dallas	36.2	45.1	48.0	49.5	59.0
Denver	41.6	51.9	55.3	57.1	67.9
Detroit	37.3	46.5	49.5	51.1	60.8
Houston	39.6	49.3	52.5	54.2	64.5
Los Angeles	48.7	60.7	64.6	66.7	79.4
Miami	42.9	53.5	56.9	58.8	70.0
Milwaukee	36.4	45.4	48.3	49.9	59.4
Minneapolis	38.2	47.6	50.6	52.3	62.3
New York	45.9	57.3	60.9	62.9	74.9
Pittsburgh	36.5	45.4	48.4	48.9	59.5
St. Louis	41.4	51.6	54.9	56.7	67.5
San Diego	38.1	47.5	50.6	52.2	62.2
San Francisco	46.7	58.2	61.9	63.9	76.1
Seattle	40.6	50.6	53.8	55.6	66.2
Washington	36.1	45.0	47.9	49.5	58.9
20-city average	39.8	49.6	52.8	54.5	64.9
National average	36.6	45.7	48.6	50.2	59.8

Driving cost-per-mile for 1984 car driven 10,000 miles a year for five years.

Sub-compact is a car like a Ford Escort; compact is a car like a Ford Tempo; mid-size is a car like a Ford Mustang; intermediate is a car like a Ford LTD; standard is a car like a Ford Crown Victoria.

mileage costs, the company noted.

Over the past dozen years new car prices have risen by 195 per-

cent, while owning and operating costs have increased by 172 percent, Hertz reported.

St. Louis suit says ad pay sex based at Post-Dispatch

(Continued from Page 1)

sales representatives, mostly men, according to the suit. Yet, the pay scales for these inside jobs are \$74.56 to \$209.49 a week less than the minimum salary for outside sales employees with comparable experience, according to the suit.

The minimum wage for voluntary advisors, meanwhile, "is discriminatorily reduced" since the wage rates for this entry level job on the inside sales force are related to minimums for the higher jobs.

Telemarketing representatives sell retail and national advertising space by telephone, while classified telephone sales representatives sell classified advertising space. Employees in both contact and develop new and old clients.

The suit stems from charges the Guild filed with the Equal Employment Opportunity Commission in 1981. In December of 1984 the EEOC authorized the local to proceed with a suit. Subsequent efforts to negotiate a settlement of the issue were unsuccessful.

Currently there are four people employed as telemarketing representatives; three of them are women. The 20-some people working as classified telephone

sales representatives are currently all women, while about five men are among the 40-some full- and part-time voluntary ad advisors.

Since Feb. 1, the top minimum for telemarketing representatives has been \$503.76 a week; that for classified telephone sales representatives, \$476.76; and the top minimum for voluntary advisors, \$362.14. At the same time, the outside advertising representatives' top minimum is \$686.25 a week.

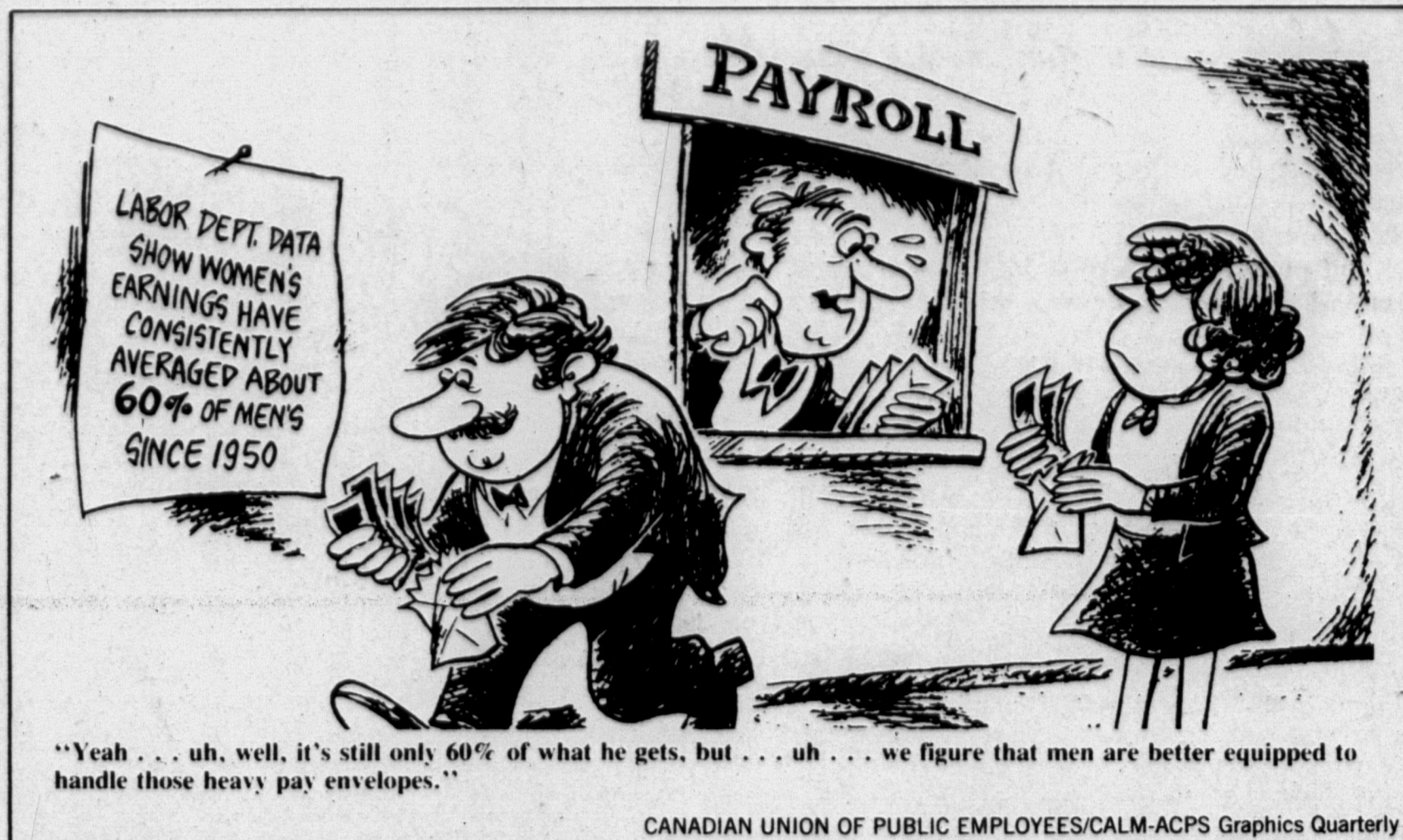
ANPA aide: Ad-pay 'vulnerable'

Reston, Va.—If newspapers are "vulnerable" to claims for pay equity, the consensus of many of their own executives is that they most likely are open to attack in classified and display ad departments, reports Patricia P. Renfroe, ANPA personnel relations manager.

In an article headed "Comparable worth" in the March issue of the ANPA's magazine, "presstime," she points to advice on "reducing exposure" from John B. Jaske, Gannett's labor relations vice president.

Jaske sees an easy first step in hiring practices which make certain that there are men as well as women on the classified sales staff, Renfroe writes.

"Pleading that it is hard to find men to work in classified is insufficient defense in a discrimination claim," she reports Jaske cautioning.



CANADIAN UNION OF PUBLIC EMPLOYEES/CALM-ACPS Graphics Quarterly

Locals asked to furnish data on women, minorities

Washington—Information about the representation of women and minorities among officers of Guild locals and district councils, as well as in local staff positions, is being sought by TNG so it can pass it on to the Human Rights Committee of this year's convention.

Last year's TNG convention, as several before it, called for the report on the makeup of local executive boards, representative assemblies and local and district council office holders. The convention also requested "full payroll information," including the age, race, national origin, sex, job title

and date of hire of all persons employed by Guild locals.

In a letter seeking the data, TNG Human Rights Co-ordinator Anna M. Paidá also reminded locals that past conventions have called on locals to continually seek full payroll information for the bargaining units they represent. That information should be forwarded to TNG as it becomes available, the convention said.

Paidá also asked locals to supply TNG with the names and addresses of local human rights chairpersons. Information should be received at TNG by no later than April 15, she said.

Selling by phone cited as more productive

The only difference between a newspaper's advertising representatives contacting advertisers by telephone rather than in person is productivity, a British publisher told a recent meeting of the New York Press Assn. in Albany.

A phone solicitor can make 50 contacts a day, compared to 10 contacts by a field representative. Aldham Roberts, publisher of a 130,000 free circulation Liverpool newspaper told the gathering, Publisher's Auxiliary reported April 8.

Roberts said his publication

generates \$3 million in annual advertising revenues using just 12 telephone solicitors.

Telephone representatives do a better job of selling, according to Roberts, because they can work with "prompt cards" and have other office resources available to them while speaking with a client.

They canvass new advertisers, service existing accounts, discuss rates and ad layout and placement, while "the amount of small talk common to in-person calls" is reduced, reported the publication of

the National Newspaper Assn., an organization composed primarily of publishers of weeklies and small dailies.

Making contacts by telephone allows management greater control of its sales staff and an immediate record of results, while the reaction among advertisers is favorable, Roberts said.

The telephone solicitors sell size, style and color and even arrange for next week's telephone sales appointment, Roberts said.

Most clients who buy advertising space are men, he also observed. "They are sold easier by a pleasant female voice," Publishers' Auxiliary recounted.

\$461 news top set in San Antonio

San Antonio—The top minimum for reporters and photographers covered by the San Antonio Guild's contract with the San Antonio Light is raised by \$28.21, to \$461.97 a week, under a reopener covering the final year of a two-year agreement with the Hearst paper.

The increase comes in two steps, with \$13.88, taking the top minimum to \$447.64 a week, retroactive to March 19, and a \$14.33 increase due on Oct 19.

With the addition of the newly bargained increases, the key edito-

rial top minimum is raised by a total of \$52.21 a week over the term of the two-year contract, which will expire next March 18. Added to the contract in the reopening was a seventh annual holiday—Memorial Day.

Other new increases and minimum salaries for experienced employees include:

Librarians—Up by \$19.40, to \$317.60 a week.

Paperhandlers, porters, file clerks, copy persons—Up by \$14.07, to \$230.35 a week.

Remember Mom On Mother's Day With Union Made Gifts



LOOK FOR THE UNION LABEL

Union Label and Service Trades Department AFL-CIO

IT

SEEMS TO US

GR story 'unseemly,'
34 at S&P charge

NEW YORK, N.Y.

Editor:

We hope the Guild Reporter soon commences publication of stock market tables and horse race results. Standard & Poor's unit voted on its contract on Wednesday, March 6th. The result (voting by show of hands) was 50-50; the meeting was recessed and in a secret, written ballot held Friday March 8, the contract was ratified 2-1. It seems unseemly to us that the day we were voting you published a story neglecting the words "tentative agreement." A more newsworthy story would have been how upset and angry long-term employees are over the new contract.

We'll be watching the Guild Reporter to find out what transpires when our original unit meeting comes out of recess... before the

date of the meeting is announced, we're certain!

DEAN SPIELVOGEL,
PAULA MIANO AND
32 others from the
Standard & Poor's unit
New York Guild

Editor's note: Leadership of the Standard & Poor's unit reported to the Guild Reporter first that the vote in the March 6 meeting was 115 to 113 for ratification and then that it was confirmed in the March 8 ballot-box vote by 281 to 149.

Mileage is 42¢ straight at Gazette, leader notes
MONTREAL, QUE.

Editor:

Contract negotiators were no doubt interested that the Vancouver-New Westminster Guild's mileage rate is the trendsetter at 44 cents (Guild Reporter, March 8).

However, I note that the rate is

By TNG convention action, letters shall be limited to 200 words and shall avoid libel and subjects detrimental to the Guild. Members subjected to personal attack shall be given opportunity to reply in the same issue, but publication of either attack or reply shall not be delayed longer than one issue. Deadline: Friday before publication.

only for the first 75 miles in a given week, after which the rate drops to 38 cents.

The Montreal Guild's rate with the Gazette is 42 cents a mile straight, regardless of the number of miles travelled.

Like Vancouver-New Westminster, that rate can be adjusted upward in a ratio to gasoline price increases. There is no contractual provision should ever the price decrease, which seems unlikely in Canada in general and Quebec in particular.

LARRY McINNIS
President
Montreal Guild

Newspaper strike insurance costs less than in '46

Newspapers' costs for business insurance—against losses from such occurrences as fire, theft, libel and other First Amendment actions—have been increasing steeply on all fronts save one, according to a special report in the American Newspaper Publishers Assn. magazine, "presstime."

That one area of "casualty insurance" which has not become ever more expensive is strike insurance, the magazine reports in its March issue.

In fact, "presstime" reports, the premiums publishers pay for strike insurance have been cut in recent years to the point where they are lower now than they were in 1946. At the same time, it reports, the number of publishers carrying the insurance also has declined and is lower today than 15 years ago.

The seven-page report, by staff writer Clark Newsom, attributes the drop in both the rates and the demand for the insurance to the decline in the number of newspaper strikes in both the United States and Canada. The ANPA counted just five in 1984 and three in 1983.

Even so, writes Newsom, "labor specialists say the need for such insurance continues."

Darrow (Duke) Tully, immediate-past chairman of the ANPA's Human Resources Committee (once known as its Labor Relations Committee), told "presstime" that since eventually there will be "one giant newspaper union," publishers will need the insurance "to provide balance at the bargaining table."

Tully, who also is publisher of Pulliam's Arizona Republic and Phoenix Gazette, in a call for publisher solidarity, added that "we carry it for the good of the fraternity."

The "presstime" report's attention to strike insurance, along with the other kinds publishers buy to try to protect against business losses, is the most thorough made openly by any publisher representative in the memory of veteran industry watchers.

An early form of strike insurance, available from U.S. casualty companies in the 1920s, "ceased to exist in the early 1930s with the advent of the Great Depression and the attendant labor unrest," the report says.

Events of the mid-'30s—such as the founding of the Guild, "in-

creasing belligerency of the Int'l Typographical Union" and passage of legislation guaranteeing employees the right to bargain collectively—raised publishers' concern about the lack of strike insurance, the magazine noted.

By the end of the decade, a group of publishers had set up a committee to provide strike insurance for ANPA members and when it was first offered, for the 1939-40 insurance year, 93 papers signed up, "presstime" reported.

It was not until 1953, in the midst of a Guild strike against the Seattle Times, that knowledge became widespread of the existence of the strike insurance operation, however.

News that the Times was covered by the insurance was first reported in a regional insurance industry magazine. Citing Seattle Post-Intelligencer publisher Charles Lindeman as its source, the Pacific Northwest Underwriter reported that both the Times and the Post-Intelligencer participated in a strike insurance fund with a large number of other dailies.

Benefits were paid both from the publishers' joint fund and by insurance underwriters. Advertising Age reported that same year.

The publishers' fund was called the Newspaper Premium Fund Committee and "nobody (except for insiders) knew what it was or did," a former chair, Frank Daniels, Jr., of the Raleigh News and Observer, told "presstime." In 1982 the committee's name was changed to the Newspaper Insurance Advisory Group.

Today, Territorial Insurance Co., a subsidiary of Mutual Insurance Co. Ltd. of Hamilton, Bermuda, writes the strike insurance for ANPA-member newspapers.

Mutual was founded in 1961 "essentially to write the existing strike insurance for ANPA-member newspapers," "presstime" said, while noting that there is "no legal connection" between the publishers' insurance advisory group and Mutual.

ANPA General Counsel Emeritus Arthur B. Hanson also is general counsel emeritus of Mutual and, along with law partner Paul L. O'Brien, serves on its 14-member board of directors. Also on the board of directors are Scripps-Howard President Edward W. Estlow; J. Stewart Bryant III, publisher of Media General's

Mutual Insurance Company Limited, of Hamilton, Bermuda

STRIKE INSURANCE

The Mutual Insurance Company Limited of Hamilton, Bermuda was founded by an Act of the Colonial Parliament of Bermuda effective March 30, 1961. This was done at the urging of the Newspaper Publishers Premium Fund Committee which, with its predecessor committees, since 1939 had been making available the opportunity to purchase strike insurance to members of the American Newspaper Publishers Association.

This program is open only once a year with

an effective date of July 1 through June 30 of the following year. This offers coverage to single newspapers of up to Nine Hundred Thousand Dollars (\$900,000) for suspension of publication brought about by union strike action and in accord with specific policy provisions. Publishers are urged to review their situation and note that there is a strong likelihood in certain parts of the country for union organization drives even though no union may be in the plant at this time.

The Mutual Insurance Company of Hamilton Bermuda

Including

Territorial Insurance Company Limited, United Insurance Company Limited, Potomac Insurance Company Limited, and Mutual Reinsurance Company Limited.

P.O. BOX 1179, HAMILTON 5, BERMUDA

(Send all mail via OVERSEAS AIRMAIL) (809) 288-7833

THIS ADVERTISEMENT APPEARS IN THE 1984 EDITOR & PUBLISHER YEARBOOK

It was one of six in the book touting Mutual's policies for strikes, libel and the First Amendment.

Richmond, Va., dailies; and Charles E. Glover, president of Atlanta's Cox Enterprises.

Since 1961, Mutual has created several subsidiaries and added libel insurance and First Amendment insurance to its offerings.

The company's Bermuda base "allows freedom from regulation by state insurance commissioners and also offers tax advantages," "presstime" noted in its report.

A newspaper's costs for casualty insurance of all kinds typically account for less than 1 percent of its operating expenses, the ANPA report said. The addition of employee insurance costs—health, life and workers' compensation—boosts total insurance costs to nearly 5 percent of operating expenses, it added.

Maximum strike insurance coverage of \$900,000 costs a publisher about \$20,500 a year after discounts and adjustments currently available, the magazine reported, noting that there are "a number of options as to the amount of indemnity" and the period of payment. "For example, a seven-days-a-week paper might purchase \$15,000 a day for 60 days."

The premiums are tax deductible.

The insurance company's insistence on protecting the names and number of newspapers enrolled is one of the few remaining signs, however, of an era when the existence of the insurance was shrouded in secrecy.

By contrast, today Mutual routinely advertises its strike insurance program in industry publications like Editor & Publisher magazine. The ads began appearing in 1980.

Santa Rosa-Times deal set

Santa Rosa, Calif.—The New York Times Co. has worked out an agreement to purchase the Santa Rosa Press Democrat, a 73,000 circulation daily serving this California city, 55 miles north of San Francisco.

The San Francisco-Oakland Guild represents the paper's editorial department employees. Its contract with the paper runs through the end of June 1986.

Terms of the transaction which

ANPA panel to discuss insurance

Miami Beach, Fla.—One general session of the American Newspaper Publishers Assn. Convention here May 6-8 will be devoted to a panel on libel, privacy and insurance.

The session will be chaired by Edward W. Estlow, president of the Scripps-Howard chain, head of the Newspaper Insurance Advisory Group and a director of Mutual Insurance Co. Ltd. of Bermuda, which offers libel, First Amendment and strike insurance to publishers. Panelists will include Paul L. O'Brien, Mutual's U.S. general counsel, and Katherine P. Darrow, New York Times counsel and ANPA legal affairs chair.

Another day there will be four two-hour clinics held concurrently, including a two-part session on "human resources." One part is titled "Toward a bias-free workplace;" the other, "Employer rights/employee rights."

One newspaper that no longer carries strike insurance is the Bloomington (Ind.) Herald-Telephone, "presstime" reported, noting that the publisher dropped the insurance after the last of the unions that had represented its employees was decertified.

Publisher Paul C. Schurz told the magazine that the \$3,000 in annual savings realized by eliminating the strike insurance is being used to pay for a series of departmental dinners at which management can answer employee questions and address their concerns.

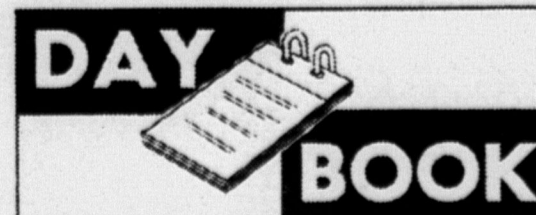
Strike insurance currently covers a paper's losses, up to the limitations of the policy, whether the paper is shut by the strike or continues to publish. Included in those losses are such extra expenses as charges for additional security, "presstime" said. There is a seven-day waiting period before coverage kicks in.

Like the names of the carriers

and the publishers' committees behind them, some of the terms of payment have changed over the years. In 1953, when news of the strike insurance program broke, one condition for payment was a requirement that the publisher offer to arbitrate the dispute.

News of the strike insurance program and that feature of the plan provided Guild strikers in Seattle "a devastating answer to the question of why Times management had offered—in a full page advertisement in the opposition daily—to arbitrate the strike issues," the Guild Reporter of Sept. 11, 1953, observed.

The Seattle strike, which had begun July 10, was settled the following month.



Int'l Executive Board, spring meeting, April 22-26, TNG headquarters, Washington.
Canadian District Council, founding meeting, April 27-28, Ottawa.
Great Lakes, Midwest and Southern District Councils, joint spring meeting, May 4-5, Holiday Inn-Riverview, Toledo.
Western District Council, spring meeting, May 11-12, Hacienda Inn, Los Angeles.
Middle-Atlantic District Council, spring meeting, May 18-19, Wilkes-Barre.
New England District Council, spring meeting, May 18-19, Portland.
Int'l Executive Board, pre-convention meeting, June 21-22, William Penn Hotel, Pittsburgh.
52nd Annual Convention, June 24-28, William Penn Hotel, Pittsburgh.
Int'l Executive Board, post-convention meeting, June 28, William Penn Hotel, Pittsburgh.
Midwest District Council, fall meeting, Oct. 26-27, Milwaukee.
53rd Annual Convention, Buffalo, 1986.
54th Annual Convention, San Diego, 1987.

The U.S. price elevator

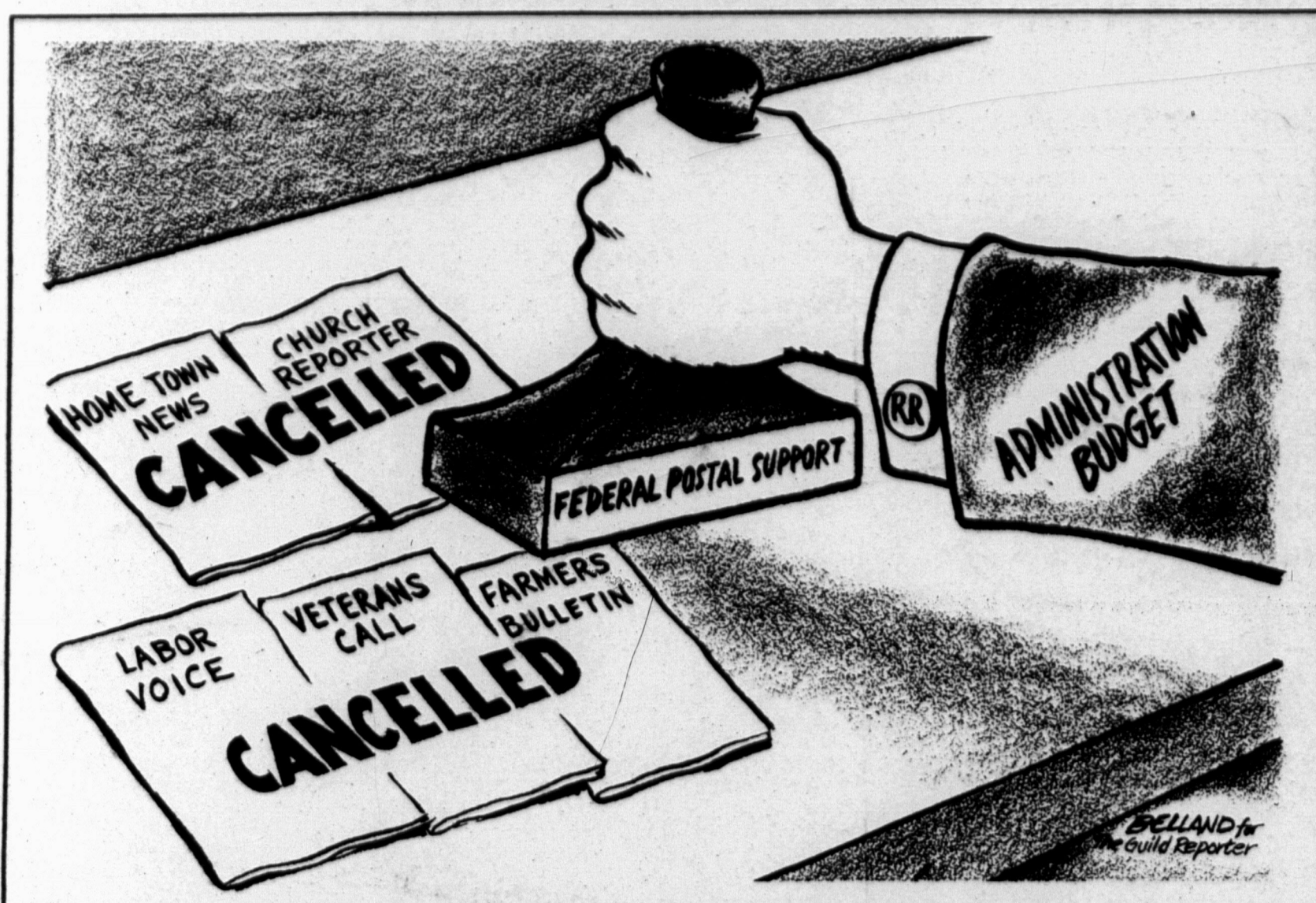
The table below records the ascent of the Consumer Price Index in the United States over a 24-month period following a 1.3-point increase in the index in February to 313.9, up 10.6 points from February 1985, and 21.6 points from February 1983. The first column lists the index for each of the last 12 months, the second the percentage increase over the same months of the preceding year and the third, the percentage increase over February 1983. The Urban Wage-Earners' and Clerical Workers' Index (CPI-W) is the source.

Index*	Percentage over	
	Same month prior year	February 1983†
March, 1984	3.5	3.8
April	3.1	4.0
May	3.1	4.5
June	3.0	4.8
July	3.1	5.2
August	3.6	6.2
September	3.8	6.8
October	3.6	6.8
November	3.5	6.7
December	3.5	6.8
January, 1985	3.3	6.9
February	3.5	7.4

*1967 = 100

†Index = 292.3

'STAMP ACT' 1985 STYLE?



Efforts by Chilean journalists delay Imbunche myth's becoming reality

By Ariel Dorfman

Santiago, Chile

OLD LEGENDS are still told in the Chilean countryside. One legend explains what happens when a child disappears: He has been kidnapped by witches and his captors, to insure his servitude, break all his bones, sew together different parts of his body and turn his head around so he must always look and walk backward. His eyes, ears and mouth are constantly stitched up. The creature is called an Imbunche.

There is no way of knowing if Gen. Augusto Pinochet, Chile's strongman for 11 years, ever heard that tale when he was young, but there can be no doubt that he has done everything in his power to turn each Chilean, and Chile itself, into an Imbunche.

Chileans do not know, cannot know, if today their voices will be overheard, if tomorrow their bodies will be fractured. But even if they are not arrested or beaten up by the police or thrown out of work, they are, in a way, already like Imbunches. They are isolated

This is reprinted with permission from the OpEd page of the New York Times of Feb. 18. Ariel Dorfman, who returned to Chile for a two-month visit, is a novelist who lives in Bethesda, Md., a suburb of Washington, D.C.

from each other, their means of communicating suppressed, their connections cut off, their senses blocked by fear.

THE LAST TIME I was here, in September 1983, on my first, brief visit after 10 years of exile, I found a different situation. There was hope that things would change soon. The country was openly defiant, demanding Gen. Pinochet's resignation. Everywhere I went people seemed to have lost their fear. This was especially true of the opposition magazines. I was astounded by their audacity. They were unmasking the regime's corruption, denouncing the violation of human rights, discussing how to insure a quick return to democracy.

This cannot last, I said to myself: Either the government goes or it cracks down.

It cracked down. In November, after a general strike paralyzed the nation, Gen. Pinochet declared a state of siege—he recently renewed it for three more months. Raids, arrests, internal exile, manhunts have given the government back its control of fear.

Above all, the military has sought to insure a total muzzling of the press. Six opposition magazines have been closed, another placed under severe prior censorship and even the media that support the regime have been severely restricted. Since any information that might cause "public alarm" is forbidden and punishable, nothing interesting is published.

This control is as arbitrary as it tends to be at times absurd: A child's dictionary sold on newsstands was confiscated—the censors did not agree with its definition of the word "soldier."

By eliminating news, the government hopes to eliminate reality.

When 5,000 male slum-dwellers were rounded up and held in a stadium for a day, a high official answered a group of journalists by denying the whole affair: What slum dwellers? What stadium?

When an event cannot be hidden—say, a visit by three U.S. Congressmen—the public is not told that they were critical but, rather, the lie that they praised Chile's development.

The effects of this manipulation are sickening. Many cease to read because they do not believe what they are being told. Others refuse to act and tend to become passive: When people do not know what is happening near them, they are given a pretext for not caring.

What is endangered is the existence of community—the nation's moral foundations. I have found many people who, like the disjointed bones of the Imbunche, float apart in fragments, reduced to private worries, merely trying to survive the worst economic crisis in our history.

Yet, Gen. Pinochet has not managed to sew up all mouths, ears and eyes. I have spent long hours with journalists whose publications have been forbidden, watching them. They have pooled resources, and each day bring out a brief newsletter, under the auspices of the Association of Journalists, with all the censored material they can gather. Each magazine, to generate income and keep its original teams functioning, is producing its own samizdat for a restricted audience.

THESE JOURNALISTS are aware that their situation is precarious. They have been incessantly harassed and threatened. Their finances are in shambles. They know that soon they may have to face a military tribunal, accused of subversion, and that some will be banished into internal exile—to the desert, to an island near the South Pole.

By refusing to be silenced, the journalists, their news sources and their readers are telling Chile's rulers that some people in my country—who knows how many?—refuse to be turned into Imbunches forever.

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Editorial

The press is free to . . .

Persons concerned with the continued viability of a great portion of what we will call the "small press" should take no comfort from the news late in March that a committee of the House of Representatives voted to reject the Reagan administration's demand that one of the ways the federal deficit be reduced is by eliminating the government's traditional support for the postal rates paid by the "small press" [Guild Reporter, March 22].

By "small press" we mean the nation's commercial small-town and suburban weeklies as well as the magazines, tabloids and letters of veterans, farm, educational, religious and other nonprofit groups—and, yes, the labor press, including the Guild Reporter and the publications of Guild locals large, small and in between.

By support we mean the subsidy Congress has traditionally provided to the postal service to help keep the rates for the small press lower than the general rates.

That tradition of support, as U.S. Rep. William D. Ford (D-Mich.) pointed out not long ago, dates back to the 18th century.

The mail users who benefit from it are technically referred to as "preferred mailers," preferred because of the public policy that holds it to be in the national interest that all kinds of information be as readily available as possible. Much of the information they carry is not available elsewhere.

It's not as though the small press' postal rates have been gigantic federal giveaways. There have been appreciable increases annually, sometimes more frequently, for more than a dozen years; the increases for the nonprofits have been greater proportionately than for any other class of mailer as their subsidy has been steadily reduced under a 16-year program adopted with their support.

If the Reagan administration's demand is achieved the remaining two years of the phased increases would be eliminated, and so would all but the last vestiges of the subsidy of their postal rates.

Two more years to continue to absorb costs is one thing. Eliminating them plus those last vestiges in one fell sweep is quite another. Rep. Ford pointed out that elimination of the preferred mailers' rates would mean immediate increases, for example, of 170 percent for a typical rural weekly, just about 110 percent for a publication put out by a union or church, 155 percent for a classroom publication.

The National Newspaper Assn., the weekly and small-daily publishers' organization, has pointed out that the president's budget cut would increase its members' postage bills by 150 to 300 percent.

We said earlier that rejection of the Reagan demand by a committee of the House should offer no comfort. That's because action by a House committee is far from the final word. And the Reagan demand remains actively alive in the Senate.

Some years ago, the late Joe Liebling, the press critic, wrote an oft-quoted line to the effect that the press is free to the person who owns one.

If the Reagan administration's plans for the nonprofit and community press' postal rates are realized we might add: but only if they also can afford the godawful price of postage.

The Guild Reporter

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BARBARA E. NELSON, Assistant Editor

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