

Reject concessions and blackmail!

Boston Globe threatens 23% pay cut if pact is defeated

By Kate Randall
6 June 2009

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The *Boston Globe* has threatened to hit workers with a 23 percent pay cut if the paper's largest union votes down a concessions contract. Boston Newspaper Guild (BNG) members vote Monday on a *Globe* management proposal that would slash an estimated \$10 million in wages and benefits, as well as eliminate lifetime job guarantees for some workers.

Globe publisher Steven Ainsley stated Thursday, "The *Boston Globe* cannot be a viable business given our current losses." He reiterated management's earlier threat that closure of the newspaper remains a very real possibility if the pact is rejected.

The BNG represents more than 600 editorial, advertising and business office workers at the newspaper. Earlier this year the *Globe*'s owners, the New York Times Co., threatened to shut down the paper if the unions representing employees did not accept \$20 million in concessions. They demanded that half this amount—\$10 million—come from BNG members.

Five smaller unions at the *Globe*—representing mailers, pressman and other workers—have voted to approve concessions contracts. Teamsters Local 259, representing some 220 truck drivers and delivery platform workers, are voting Sunday, June 7, on a tentative agreement that includes \$2.5 million in cuts.

Following a marathon bargaining session with BNG negotiators early last month, union leaders signalled their readiness to accept deep cuts, and *Globe* owners backed off from their threat to shutter the paper. In a cowardly fashion, the BNG leadership is now presenting the company's concessions demands to its

membership without recommendation, while at the same time indicating their agreement that cuts are inevitable.

In a June 3 letter to Guild members, BNG President Daniel Totten wrote, "Guild members haven't seen a pay raise in four years. And they are well prepared to take a cut to help preserve The *Globe* and its mission." He expressed his disappointment in the Times Co.'s "unwillingness to share the pain of overcoming this crisis" by scaling back executive compensation.

The concessions being demanded of the BNG membership are truly draconian, as have been the cuts imposed on all *Globe* workers. Concessions for Guild members reportedly include a 10.3 percent permanent pay cut, a five-day unpaid furlough, elimination of 401(k) matching funds, cuts to pension contributions, a more than 50 percent increase in employee contributions to health care costs, and the elimination of lifetime guarantees.

One section of BNG members circulated a petition calling on publisher Ainsley to limit pay cuts to 5 percent, the same amount imposed on non-union managers earlier this year. The Guild leadership has also held out the prospect of renegotiating the deal if members vote it down on Monday.

The Times Co. has rejected both scenarios out of hand. In a statement published Thursday in the *Boston Phoenix*, company spokeswoman Catherine Mathis warned, "Closure is a very real path for the Company to take. We have said that we need to achieve \$20 million in savings from our unions in Boston. At the end of the ratification process, we need to have secured the full amount.... The Guild seems to believe it can reject the contract, prevent implementation and thereby

force further negotiation. That's not right. Time is of the essence.”

In fact, there is no guarantee that acceptance of even these massive cuts will forestall an eventual shutdown of the *Globe*. According to Times Co. projections, even with the \$20 million in concessions, the newspaper will still lose an additional \$65 million this year. The newspaper is anticipated to lose 25 percent of overall revenue this year, including as much as half of its classified advertising. The Times Co. as a whole has lost 70 percent of its value over the past year.

The *Boston Globe* has been one of the worst hit newspapers in an industry that has seen the loss of readership to online news sources, combined with sharp drops in advertising, sales and subscriptions. The decline in advertising has been exacerbated by the economic crisis, particularly as reflected in the real estate and auto markets.

This year has seen the shutdown of the *Seattle Post-Intelligencer* in Washington state and the *Rocky Mountain News* in Denver, Colorado. The *Detroit News/Free Press*, among other papers, has cut back home deliveries to the more lucrative Thursday-Sunday editions.

Boston Globe employees—journalists, editorial staff, pressman, mailers, truck drivers and other workers—are not responsible for the newspaper's financial situation. The crisis in the newspaper industry is an indictment of the profit system itself, and the deteriorating global position of American capitalism.

As the bitter experience of workers in the auto industry has demonstrated, the unions have worked as willing partners with management to impose concessions contract after concessions contract to “save” the auto companies. With the bankruptcies at General Motors and Chrysler, this policy has resulted in the loss of hundreds of thousands of jobs and the shutdown of dozens of plants and thousands of car dealerships.

At the *Globe*, the leaderships of the Boston Newspaper Guild, Teamsters and other unions have demonstrated their willingness to cooperate with the Times Co. and *Globe* management in the decimation of workers' jobs and benefits. The BNG's presentation of the \$10 million concessions to the membership must be answered with a resounding “no” vote. Teamsters Local 259 members must also reject the \$2.5 million

concessions pact before them.

A rejection of the concessions contracts being presented by union leaders can be only the first step in the fight to defend jobs and working conditions at the *Globe*. Workers must break with these old organizations and begin the building of independent rank-and-file committees that will organize new forms of struggle—including mass demonstrations, strikes, and occupations.

Such a fight must be guided by a strategy that bases itself on the interests of working people—not the profits of the newspaper, other industries and the banks. A new political perspective, based on a socialist program, is required to lead this struggle.

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