

# Boston Globe shutdown averted for now

## Unions signal readiness to accept massive concessions

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6 May 2009

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The New York Times Co., owner of the *Boston Globe*, announced Monday that it was tentatively withdrawing its threat to shut down the newspaper. While tentative deals have been reached with six of the paper's unions, there is still no agreement with the largest union—the Boston Newspaper Guild (BNG).

Following a marathon bargaining session over the weekend and after a midnight Sunday deadline passed without an agreement with the BNG, the Times Co. announced it would file the required notice under the Worker Adjustment and Retraining Notification law that would have set into motion plans to shut down the paper within 60 days.

The Times Co.'s back-off from the closure threat came as all the unions representing *Globe* employees, including the BNG, indicated their readiness to accept massive concessions. Last month, the *Globe's* owners demanded the unions agree to \$20 million in concessions by May 1—half of this from the BNG—or the paper would be shuttered.

*Globe* spokesman Robert Powers seemed confident that additional concessions would be extracted from the BNG negotiating committee, commenting Monday, "We expect to achieve both the workplace flexibility, and the financial savings that we sought from these unions." Negotiations between the Guild and management were set to resume at 5 p.m. Tuesday.

BNG leaders have offered givebacks from their members amounting to more than \$10 million, but negotiations are reportedly stalled over lifetime job guarantees for 170 of the Guild's 660 journalists, advertising and business office employees received in exchange for previous contract concessions. About 435 *Globe* workers in various unions are protected by the lifetime guarantees.

The concessions offered by the BNG leadership include, among others, the following:

- Workweek to increase to 40 hours from 37.5 hours (\$2,507,488)
- A 3.5 percent wage cut for most Guild members (\$1,278,236)
- Early retirement age to be raised from 52 to 55 (\$1,000,000)
- Pension accrual reductions (\$1,000,000)
- Health care to be eliminated for retirees 65 years and up (\$995,400)
- A 1.3 percent furlough for all employees (\$659,750)—to sunset

at contract's end

- Elimination of Co-op and summer intern positions (\$452,563)
- Elimination of the 401(a) retirement plan (\$450,000)

These draconian concessions, however, were considered inadequate by the Times Co., which is intent on eliminating the lifetime job guarantees. Under the BNG's contract provisions, management can invoke an emergency clause sending the issue to a third-party arbitrator, which would require the *Globe* to open its financial records for review.

The six unions representing press operators, delivery truck drivers, mailers and other workers have all reached tentative agreements. The Teamsters union, representing 245 mailers, has offered \$5 million in concessions, as well as changes to the lifetime job guarantees for some of their members. The union representing 210 truck drivers has agreed to \$2.5 million in cutbacks. All of these deals—including any future agreement with the Boston Newspaper Guild—must be approved by membership votes.

The WSWS spoke with one *Globe* worker with over 30 years seniority, who is presently protected by the lifetime job guarantee. Commenting on the wide-ranging concessions on wages, healthcare, seniority, vacation time and benefits that the Guild would soon present to its membership, he said, "This is capitulation. We have a contract until the end of the year and there is no need to reopen it."

The worker also pointed out that the separate agreement for lifetime contracts could, according to the contract language, be forced to mandatory renegotiation if the *Globe* were in danger of closing. The Guild has refused to reopen negotiations on this issue, but the Times Co. has not forced the issue. "That's because they'd have to open their books to the NLRB. The threat to close the plant is nothing but a scare tactic to stampede us into taking massive concessions."

He noted that the *Globe* is in the process of moving millions of dollars worth of equipment from its recently closed Billerica, Mass. facility to the Boston plant, and is installing a new half-million-dollar freight elevator. "I think they want to sell the place and drive down the price of labor to make it attractive to a buyer," he said.

The worker continued, "People say that anything is better than unemployment, but I don't think so, and I have 30 years in this

place. It's better than humiliation." When a WSWS reporter suggested that the working class needed a new leadership, independent of the unions, the worker said, "We've needed that for years now, but who's going to step forward?"

## State of the US newspaper industry

The *Boston Globe*, founded in 1872, was purchased by the New York Times Co. in 1993 from Affiliated Publications for \$1.1 billion, the highest price ever paid for a US newspaper.

With a weekday circulation of 303,000, the *Globe* is the most widely read daily paper throughout New England. It has, however, seen a 14 percent drop in circulation in the latest six-month period alone. In 2008, the paper's weekday circulation fell by 8.3 percent to 350,605, down from 382,503 the previous year.

The Times Co. says that the *Globe* lost \$50 million in 2008 and will lose another \$85 million if they do not extract the \$20 million in concessions from *Globe* employees.

The *Globe* has been among the worst hit of US newspapers by a decline in classified advertising revenue, particularly due to the crisis in the real estate market. It has also suffered a loss of readership to its online edition, particularly among younger readers.

The deepening recession, combined with rising newspaper prices, has also resulted in increasing numbers of people dropping home deliveries across the country. A report by the Pew Project for Excellence in Journalism, "The State of the News Media 2009," found that newspaper circulation fell nationwide by 4.6 percent daily and 4.8 percent on Sundays last year.

Total US newspaper ad revenue fell by 16 percent in 2008, to \$38 billion, and is down 23 percent from just two years ago. Ads on newspapers' online editions have not delivered as expected, falling 0.4 percent in 2008 and amounting to less than 10 percent of total ad revenue.

The print editions of the *Rocky Mountain News* in Denver, Colorado, and the *Seattle Post-Intelligencer* (Washington state) shut down in 2009. Other newspapers, including the *Detroit News/Free Press*, have cut back their delivery days. Last November, the *Christian Science Monitor* announced it would publish online-only, except for a magazine-style weekend print edition.

The Pew study estimates that about 5,000 full-time newsroom jobs were lost in 2008, or about 10 percent of the total. Overseas and Washington, DC bureaus have been particularly hard-hit, with half of US states no longer having a newspaper with a DC-based staff.

Similar to the situation at the *Boston Globe*, management at several large dailies—the *Seattle Times*, *Denver Post* and *San Francisco Chronicle*—have threatened bankruptcy or closure if workers do not submit to drastic concessions.

Journalists, editorial staff, pressmen, mailers, truck drivers and other workers at the *Globe* are not responsible for the present situation they confront. The crisis in the newspaper industry is an

indictment of the profit system itself, under conditions where the global position of American capitalism has dramatically deteriorated.

Management at the News York Times Co. and at other newspapers, like their counterparts in other branches of industry, are demanding that *Globe* workers grant massive concessions, and submit to brutal levels of exploitation, because profits extracted through the paper's publication are sinking. It should be noted that top executives at the *Globe* and the Times Co. continue to rake in multi-million-dollar compensation packages—in salaries, stock options and other perks.

The response of the unions representing workers at the *Globe* to management's demands has been to offer them every penny of the \$20 million they have asked for and more. As in other industries, these organizations have long since made their peace with the capitalist system, and function not as instruments of struggle to defend workers' interests, but as an integral component of the corporate onslaught on the working class.

The Boston Newspaper Guild stated Monday: "We are committed to negotiating this matter until an agreement is reached that we can bring to Guild members for a vote." In other words, they are committed to conspiring with management to hash out an agreement slashing wages, benefits and jobs that they will then seek to ram through in a membership vote.

A struggle to defend jobs and conditions at the *Boston Globe*, and to stop the shutdown of the paper, requires a break with these old organizations and the building of independent rank-and-file workplace committees. New forms of struggle—including mass demonstrations, strikes, and occupations—are required.

Such a struggle must be guided by a new political strategy, based on a socialist program, which bases itself on the interests of working people—not the profits of big business. As a first step in this fight, *Globe* workers should reject the contracts negotiated by union leaders at their upcoming ratification meetings.



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