Trade Commission Rescinds Newsprint Tariffs; Printers Still Face Increased Costs from Tariffs on Aluminum

In late August, the United States International Trade Commission (ITC) overturned the Trump administration’s decision to impose tariffs on Canadian newsprint, saying that American paper producers are not harmed by newsprint imports.

The unanimous decision by the five-member body eliminates the tariffs that have been in effect since January, handing a win to small and medium-sized newspapers, which have struggled to absorb the cost of higher newsprint.

Many local newspapers reported that the tariffs had hurt their publications and forced them to cut staff, reduce the number of days they print and, in at least one case, close entirely.

Framed Photo of Delegates to the 1927 ITU Convention Donated to Printing Sector Headquarters

Posed on the steps of the James Whitcomb Riley Library in Indianapolis, hundreds of delegates and their guests commemorated their attendance at the 1927 Diamond Jubilee Convention of the International Typographical Union in a photo that now hangs in the lobby of the Printing, Publishing and Media Workers Sector-CWA.

The photo was donated to the Sector earlier this year by recently retired Community Services Agency, Metro Washington Council, AFL-CIO Executive Director, Kathleen McKirchy.

As McKirchy recalls, she came across the photo in an antique store in Des Moines, Iowa, about 15 years ago. “I loved it and have enjoyed it. It hung in my office at the Metro Washington Council since I found it.”

When McKirchy retired, she thought the photo “needed a bigger audience” and thought “the union whose members are represent-
Tariffs Rescinded on Newsprint; Imposed on Aluminum

The Commerce Department imposed tariffs as high as 20 percent on newsprint from Canada after North Pacific Paper Company, or NORPAC, a small paper mill in Washington State, filed a complaint alleging that the subsidies the Canadian government provides its paper manufacturers put American paper companies at a disadvantage.

NORPAC’s petition was immediately met with bipartisan opposition in Congress. Representatives Chuck Fleischmann, R-Tenn., and Jamie Raskin, D-MD, and other legislators sent a letter to the ITC, urging denial of NORPAC’s request.

In the letter, the legislators said, “Duties on imported newsprint would further damage the printed news industry in the United States, which has seen a more than 50 percent decline in advertising revenue over the last 10 years.”

The National Newspaper Association (NNA), an organization dedicated to promoting, enhancing and protecting community newspapers, also sent a letter to the Department of Commerce Secretary Ross, from printers and other stakeholder companies, pointing to the economic impact the tariffs would have for the industry.

The ITC, in a statement regarding their decision to rescind the tariffs said it “determined that a U.S. industry is not materially injured or threatened with material injury by reason of imports of uncoated ground paper from Canada.”

NNA president Andrew Johnson hailed the decision saying, “this is a great day for newspapers.” But “there is a lot of damage that has been done.”

New Trump Tariffs on Aluminum Hit Printers

On June 1, 2018, President Trump issued Section 232 Tariffs on Steel and Aluminum imported from various countries, including those in the European Union. With the highest-quality aluminum used to produce lithographic printing plates being sourced from the EU which is generally not available to equipment manufacturers domestically, the printing industry has been hit hard by this tariff. The 10 percent tariff on aluminum hit before the Trade Commission halted the newsprint tariff last month.

Although for most printers the cost of aluminum printing plates only comprises one to two percent of the cost of goods sold for a typical offset printing job, the higher cost of ink and paper has caused an increase of up 25 percent for the total cost of a typical print job.

The largest U.S. manufacturers of litho printing plates, Kodak, AGFA and Fujifilm, all report that they have instituted a passthrough surcharge representing the tariff impacts for their printing plates sold in the U.S.

Each of the three companies have reportedly filed for an exemption on the import tariff charge with the U.S. Department of Commerce. A ruling is expected in the coming months.

In the best-case scenario, if an exemption is granted and the additional tariffs the companies have paid so far are then refunded, all three companies say they plan to refund the surcharge amount back to their customers.

At its June Legislative Summit in Washington, DC, the Print and Packaging Industry issued a statement calling for Congress to oppose the tariffs, stating, “The printing industry strongly opposes the Trump tariff on aluminum, because it needlessly increases costs for plate suppliers and their customers that greatly outweigh any benefits to a narrower segment of the economy that supplies aluminum. This is especially egregious where no domestic source exits.”

The Association for Print Technologies (APTech), sent a letter to President Trump urging him to reconsider the aluminum tariffs. In the letter, APTech president Thayer Long explains that their objections to the tariff is compounded by “the fact that there are no other domestic sources for the specific grade of aluminum necessary to produce high quality printing plates.”

He closes with a plea for President Trump to at least consider exemptions for APTech member companies that warrant it, and that such exclusions be "retroactive to June 1 when the tariff was imposed.”

In July, the Printing Industry of America, an industry advocacy group, launched a grassroots call to action in response to industry impacts triggered by the tariffs. They have urged their member companies to contact Congress and the Trump Administration to help them understand “the real-life impact of trade policy on the printing and graphic communications industry.”

Steve Delanni, PPMWS Rep.
Salt Lake City Mailers

The Salt Lake City Mailers, Local 14759 has reached a final agreement with the Utah Media Group. The previous agreement had expired in March 2018 and the new agreement is set to continue through December 31, 2020. Over the last few months, the bargaining committee worked hard to make as many improvements to the Contract as possible and were able to make some significant progress. The new contract sees improved Grievance / Arbitration language, updated return-to-work forms/requirements that are more realistic with the mailroom work, wage differential for employees who are training others in the bargaining unit, access to a game room facility during break periods or for personal use after hours, a wage-opener in February 2020 to discuss financials and possibilities of a wage increase, and wage stability for those members who work in different pay code areas that will help eliminate/minimize pay drops during those periods. The Contract was ratified and went into effect on September 1, 2018.

Duluth Mailers

The Duluth Mailers, Local 14733 have continued their negotiations with the Superior Telegram. The operation at the Telegram that was initially located in Wisconsin has since been moved and consolidated into the same location at the Duluth News Tribune (both papers are owned by the same parent company). This transition and its effects have been a big focus during bargaining. Minimal changes have been put into effect until we have a final agreement in place. The Union is looking to increase wages through a couple of avenues, including the possibility to increase the work week hours, gain some work flexibility due to the new work location, etc. While the Company is looking for more flexibility as they have similar roles already in place at the Duluth location.

In addition, Local 14733 and the Duluth News Tribune have agreed to a Contract extension through April 30, 2019, for the Mailroom that includes a “me-too” clause for wage increases. The Company was initially looking for major changes to the vacation/personal time off policies by converting the process to a merged PTO system along with others. These proposed changes were not favorable to the members and we were able to maintain our current system throughout the extension.

CWA Local 14635

Local 14635 and All began bargaining for a new Contract, which was set to expire on September 1, 2018. The new Agreement will be for a three-year term through September 1, 2021. The new Contract calls for increases to night shift differentials, wage increases, child care allowance, improvements to the extended leave policy, increased uniform allowance, changes to the medical premium cost shares, and some housekeeping items. Overall, the contact sees many improvements for the members.

REPRESENTATIVE REPORT

Steve Delanni, Staff Representative

Steve Delanni, PPMWS Rep.
Historic Photo Donation

The photo and its frame are just lovely. I have lots of visitors that take a closer look at it. Then I tell them about Ms. McKirchy and how she donated it to the union, and that she even delivered it in person. I think the story of how we came in to possession of it is just as nice as the photo itself,” says Sector Administrative Assistant Marcia Mikesell.

Some Background on the Photo

The 1927 Convention was held August 8-13, 1927, at the ITU Headquarters, formerly the Van Camp Mansion, built by Frank Van Camp of Van Camp’s Pork and Beans in North Meridian. The lawn of the home became known as “Typographical Terrace” in 1925 after the mansion became the union headquarters.

The International Typographical Union was founded on May 5, 1852, in Cincinnati, Ohio. As a result of a random drawing at a national convention, Indianapolis became ITU Local #1, as well as the union’s national headquarters.

The ITU gained a reputation over the years as being the most democratically governed union in the country. Throughout its history, the ITU was progressive in its initiatives. It lobbied for 8-hour work days and made work on Sundays elective, not mandatory.

Judge Sides, in Part, with Unions on Trump’s Executive Orders

U.S. District Court Judge Ketanji Brown Jackson struck down most of the provisions of the Trump administration’s controversial workforce executive orders in August, concluding that they conflicted with the 1978 Civil Service Reform Act.

In May, just before Memorial Day, President Trump issued three Executive Orders that affected federal employees. The Orders covered collective bargaining rights, grievance procedures and use of “official time.”

The issuance of those Orders drew immediate ire from labor unions representing employees within the federal government and a coalition of 13 unions, the Federal Workers Alliance (FWA), representing more than 300,000 federal workers employed in hundreds of occupations across the federal government, filed a law suit on May 25.

In their suit, the FWA argued that the orders violated the due process and collective bargaining rights of workers employed by the federal government. In a press release issued by the group, Sarah Suszczyk, National Association of Government Employees and FWA Co-chair said, “Donald Trump did not have the authority to issue these executive orders because the power to do so was not granted to him by either Congress or by the Constitution.”

Judge Jackson appeared to agree, writing in her ruling, “While … the President has the authority to issue executive orders that carry the force of law with respect to federal labor relations, no such orders can operate to eviscerate the right to bargain collectively as envisioned” in the federal labor-management relations statute.

“Congress undertook to guarantee federal employees the statutory right to engage in good-faith collective bargaining,” she wrote, saying that that right “safeguards the public interest.”

The federal government must now undo the steps it previously took to enforce those now stricken provisions of the executive orders. Including, the restrictions on the use of official time and the mandate that union representatives have written pre-authorization from a supervisor to use official time. They must also refrain from limiting the amount of negotiating time allowed between unions and agencies, instituting requirements on written proposals, and enforcing limitations on the number, type and grades of employees at an agency.

“… the President has the authority to issue executive orders that carry the force of law with respect to federal labor relations, no such orders can operate to eviscerate the right to bargain collectively as envisioned”

— Judge Ketanji Brown Jackson

J. David Cox, president of the American Federation of Government Employees (AFGE), urged agencies that “have attempted to enforce this illegal executive order to restore all previously negotiated contracts and to bargain in good faith with employee representatives on any future changes as required under the law.”
Negotiations Still Stalled with Pittsburgh Post-Gazette

The Pittsburgh Mailers M22 and the Pittsburgh Typographical Union are still struggling through negotiations with the Pittsburgh Post-Gazette. The negotiations began over a year ago and the contract expired in March. This is the first time since 1993 that the unions have engaged in negotiations with the Post-Gazette. The members have not had a negotiated wage increase since 1996.

The Post-Gazette cut back its printed issues from seven-days-per-week down to a five-day publication schedule in August 2018. They had announced the change in March to give the unions time to adjust.

“Contract negotiations are going nowhere,” said Pittsburgh Mailers M22 President Steve Stasenko. “Their [the Post Gazette’s] proposals are draconian. And they are using their law firm to drag out negotiations.”

The Post-Gazette hired the notorious union busting law firm King and Ballow to conduct its negotiations.

The unions did win a National Labor Relations Board (NLRB) ruling last spring on an Unfair Labor Practice charge, but the company appealed the ruling. The unions are waiting on a decision on the appeal after an August 21 hearing. The ULP was that the company had unfairly raised health care costs while negotiations were ongoing. The company is supposed to continue under the terms of their expired agreement while in negotiations.

As well, Pittsburgh Typographical Union No. 7 filed two ULPs when the company began using an outside company for its finance work and implemented work rules for the advertising staff in violation of the contract. Both letters were retracted by the company before reaching the NLRB.

Missouri Working Families Overwhelmingly Defeat Right-to-Work in Ballot Referendum

Despite all efforts of the Republican-led state legislature, Missouri’s working families scored a whopping victory on August 7 in the referendum vote on the state’s so-called right-to-work law. The law was defeated in a better than two-to-one victory.

“Working people made their voices heard at the ballot box and overturned ‘right-to-work.’ It’s a truly historic moment,” said Mike Louis, president of the Missouri AFL-CIO, “but tomorrow we’re getting back to work. We’re going to take this energy and momentum and build more power for working people across Missouri.”

The Missouri AFL-CIO knocked on over 800,000 doors and gathered three times the necessary signatures to get the referendum on the ballot.

This vote is a major victory for the US labor movement at a time when pro-business Republican leaders, big businesses, and the courts have doubled down on their attempts to weaken the influence of labor unions and the workers they represent. And after the US Supreme Court’s June ruling in Janus v. AFSCME, which mandated right-to-work rules for all government unions, Missouri’s vote is a sign that unions are far from dead.

In the lead up to the ballot referendum, labor groups raised $15 million to defeat the law, more than five times the amount raised by the two pro-business groups that were operating to keep the right-to-work law in place. The efforts were not in vain.

“They were nearly four times as many NO votes on Prop A as there are union members in this state,” said Richard Von Glahn, policy director for Missouri Jobs with Justice. “Even if no union member had voted, Prop A would have been defeated. No matter how the proponents of ‘right-to-work want to spin in, this was truly a rejection of their vision by ALL of Missouri.”

“Defeat of this poisonous anti-worker legislation is a victory for all workers across the country,” AFL-CIO President Richard Trumka said in a prepared statement. “The message sent by every single person who worked to defeat Proposition A is clear: When we see an opportunity to use our political voice to give workers a more level playing field, we will seize it with overwhelming passion and determination. [This vote] is the latest act of working people changing a rigged system that for decades has been favoring corporations, the mega wealthy and the privileged few.

“Unions are on the rise,” Trumka said. “Missouri is the latest sign of a groundswell.”