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NHL Lockout and Settlement

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SPORT AND SOCIETY FOR H-ARETE
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It was just over a year ago that NHL Commissioner Gary Bettman fired the first shot of the recently concluded hockey war. On January 12, 1994 Bettman notified the players that the owners opening proposal would have a salary structure with a limited amount of compensation. The players flatly rejected anything resembling a salary cap.

From that point on the owners position did not waver on the cap, which they were calling a "payroll tax." For their part the players remained adamant that they would not accept any form of salary cap no matter the terminology.

In August Bettman turned up the heat on the players cutting pension money, roster sizes, arbitration rights, and medical benefits.

In late September Bettman announced that the season would not begin without a new collective bargaining agreement, and the players countered by saying they would give a no strike pledge if the owners would agree not to lock them out. After two weeks the owners rejected the player's offer and the lockout began.

November was the month of serious offers from the players. First they agreed to accept a salary structure for rookies. Then they began to play with free agency indicating a willingness to give up freedom of movement for younger players in exchange for free agency for veterans.

In early December, perhaps smelling blood, Bettman put the tax plan back on the table, and the players broke off talks.

In mid-December talks resumed without the tax plan, and on the 20th the players reaffirmed the "no tax" position at a general meeting in Toronto. Nine days later Bettman issued the drop dead date for cancelling the season as January 16. Two days later low level talks resumed.

The tension mounted. Each side repeatedly made its final offer, only to see it rejected. On January 9 Bettman and union head Bob Goodenow met face-to-face for the first time in over a month. Talking through another deadline and hung up over the issue of free agency the negotiations were intense. The players accepted the final final offer on January 11. Today a forty-eight game season will begin.

A six-year deal, with a three year re-opener, has been achieved. There is no salary cap in any form. There is a salary structure for rookies, new limits on arbitration, and limitations on free agency which seem to favor the owners. Free agency will not come until age 32, although that drops to 31 after three years of the contract.

Not all owners see this as a victory as nine clubs voted against the new agreement. Indications are that approximately 85% of the players voted to accept the contract. So who won?

The answer to that question is not clear and probably will not be for a few years when the full impact of the new agreement shows its affects on player salaries.

And what of the fans? Will they come back? Will they have the same enthusiasm and continue to buy the merchandise? And most importantly will the marketing gains made by hockey last year be sustained?

It does seem to me that NHL owners miscalculated. They did not think the players would stay out this long and put the entire season at risk, thinking, these good Canadian boys love hockey too much to let a season go. They were wrong, and when it became apparent that the season was heading down the drain the owners backed away from the cap.

Because the hockey season is way too long, many will welcome the shorter season. October, November and December were nearly ignored by fans in the past with real interest coming after the first of the year. So in many ways this will be an improvement. Also the decision to play all 48 of the games in conference should make the final round of the Stanley Cup more interesting as the two teams will not have faced each other in the regular season. However this could be offset by the real possibility that the finals may take place in late June or even into July.

So we will now have hockey. And what does any of this mean for baseball? Donald Fehr and other union leaders were pleased that the settlement came without a salary cap and without hockey owners trying to implement a cap. This reenforces their argument that a cap is not needed, and that unilateral implementation of a cap would not have happened in baseball without the anti-trust exemption.

So the attempted suicide by hockey has apparently failed, while the baseball guys are still out there slitting their wrists. We

can now look forward to a spring that will bring both fire and ice.

On Sport and Society this is Dick Crepeau reminding you that you don't have to be a good sport to be a bad loser.

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