



City of Cambridge

33.

IN CITY COUNCIL

November 18, 1996

COUNCILLOR SULLIVAN
VICE MAYOR BORN
COUNCILLOR DAVIS
COUNCILLOR DUEHAY
COUNCILLOR GALLUCCIO
COUNCILLOR REEVES
MAYOR RUSSELL
COUNCILLOR TOOMEY
COUNCILLOR TRIANTAFILLOU

WHEREAS: The contract with the employees of the Research, Development and Technical Employees Union and Draper Lab expired in July and has been extended during the current negotiations; and

WHEREAS: The negotiations are ongoing but have been non-productive; now therefore be it

RESOLVED: That this City Council go on record encouraging Draper Lab to continue the negotiations with the union to resolve their differences as soon as possible.

In City Council November 18, 1996

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

A handwritten signature in cursive script, reading "D. Margaret Drury".

ATTEST:-

D. Margaret Drury
City Clerk

Councillor SULLIVAN

Whereas:

The contract with the employees of the Research, Development and Technical Employees Union and Draper Lab expired in July and has been extended during negotiations, and

Whereas:

The negotiations ARE ongoing but have been non productive; now therefore be it

Resolved:

That this City Council go on record encouraging Draper Lab to continue the negotiations with the Union to resolve their differences as soon as possible,

TO: Jenna Lopez

FR: Michael Sullivan

DATE: 11/6/96

Information on order
I called in
Thomson

RESEARCH, DEVELOPMENT AND TECHNICAL EMPLOYEES' UNION
83 CONCORD AVENUE
BELMONT, MASSACHUSETTS 02178

617 / 489-5440



November 5, 1996

Dear Friend:

I am writing on behalf of the Research, Development and Technical Employees Union ("RDTEU"), to make you aware of the situation at the Charles Stark Draper Laboratory in Cambridge. Draper Lab is a non-profit corporation which receives significant federal funding and is exempt from paying property taxes to the City of Cambridge. RDTEU represents 180 employees at the lab. The collective bargaining contract for those employees officially expired in July, although it has been extended while negotiations proceed between the Union and the lab.

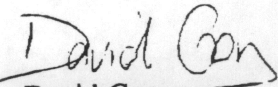
Negotiations have not been productive, and a mediated negotiation session held on October 16, 1996 produced little movement. The major issue separating the parties relates to a proposed wage cut for the lowest-paid group of employees. Draper has demanded that custodians at the lab take a \$1.00 per hour pay cut and accept a three-year wage freeze. There are 40 custodians who currently earn approximately \$11.00 an hour -- the lowest wages paid by Draper Labs. Most of the custodians are racial and ethnic minorities and only work 20 hours per week. Many of these workers are your constituents.

The company's proposal is particularly troublesome when contrasted with the salary patterns of the CEO and Vice Presidents. Draper Labs has done very well over the last several years. In 1994-95, while the Union's wages were frozen, the CEO enjoyed a 6% wage increase, bringing his salary to well over a quarter of a million dollars. In addition, he only has worked for Draper for 6 years, and will collect a federal military pension and a generous pension through Draper which is based on that quarter of a million dollar salary. During that same 1994-1995 period, the vice presidents received wage increases averaging 4.5%, bringing their average salaries to \$190,000. Now those executives are seeking to pay for their wage increases by cutting the wages of their most economically vulnerable employees by 10%.

I have enclosed a column by Robert Jordan which appeared in today's Boston Globe. The column suggests that, when provided the necessary support, the "little guy" can prevail. In that vein, I ask that you stand up for the 40 custodians at Draper Lab and let management know that you oppose its attempts to target minorities -- already the lowest-paid employees -- for wage cuts, while at the same time providing themselves with salary increases. Please call Draper's Vice President of Operations, David Driscoll, at (617)258-3508 and tell him that you are concerned about the impact of these proposals on its minority employees.

If you have any questions or need any further information, please feel free to call me at (617)258-1740.

Sincerely,


David Gay,
President.

Business

THE BOSTON GLOBE • TUESDAY, NOVEMBER 5, 1996

Robert A. Jordan

Time for Goliaths to work with Davids

ON THIS ELECTION DAY, NEWLY elected officials and reelected incumbents who want to bring positive change might want to consider once again the issue of corporate responsibility.

Specifically, there are ever-increasing stories of profit-making companies laying off or reducing the wages of low-paid workers while executives receive large bonuses and huge salary increases. In the words of some blunt worker advocates, employers making record profits are stomping on the little guys to squeeze out *even more* profits.

Three recent events in Massachusetts highlight the problem:

- In Everett, a large contingent of community activists, religious leaders, academics, labor leaders and other advocates for fairness and justice in the workplace marched to a firm they claimed was a virtual sweatshop. Employees there were paid low wages for work performed under what some described as intolerable conditions — while the owner refused to recognize a union.

The company laid off 10 workers, ostensibly for lack of work. Workers countered that the real reason was that many of the laid-off workers were union organizers, and other workers walked off their jobs in protest.

Three weeks later, the company's owner recognized the union and restored the 10 fired workers to their jobs with back pay. The union is now negotiating for its first contract.

- At an upscale men's clothing store in downtown Boston, nine tailors, some with more than 20 years of service, were given less than a week's notice that they would be laid off when their contract expired. The rea-

son given was not economic; the owner said she was a working mother who wanted to spend more time with her daughter.

The laid-off employees began picketing in front of the store.

The owner, facing criticism from the public and potential legal problems, decided to meet with the union and rescinded the layoffs; gave back pay to the workers; and agreed to negotiate a new contract with the tailors.

- And then there is the ongoing contract dispute at Draper Labs in Cambridge. During contract talks, management informed the union representing 180 workers, including about 40 custodians, that Draper wanted to reduce the custodians' hourly wages by \$2 an hour retroactive to July 1.

After some media attention was focused on this effort to wring concessions out of the lowest-paid workers at Draper Labs, the embarrassed employer dropped the retroactive reduction, but still insists on a \$1-an-hour reduction in the custodians' wages.

Ironically, the three highest-paid Draper executives each received \$16,000 in raises between 1993 and 1995, bringing their salaries to \$178,000, \$216,000 and \$279,000. The custodians make an average of \$11 an hour, work 25 hours a week and make less than \$15,000 a year. Thus, the executives gave themselves pay raises totaling more than a year's pay for a custodian.

When a Draper Labs executive writes in a letter that he considers a \$2 cutback in custodian wages as "most generous," simply because he had not taken the more onerous option of eliminating the jobs completely through "outsourcing," something is truly wrong.

This might be the right time for those elected to public office to consider closely a lesson to be learned from these events: That it is more productive for the corporate Goliaths to work with the employee Davids than to attempt to work them over.

Knowing that, these elected officials can work to make such partnerships happen.

Robert A. Jordan is a Globe columnist.

11/6/96

at 3:30

CS.

Draper Lab - up

4-7

Cocktail

Hyatt

14th flr

Empress

Room



City of Cambridge

33.

IN CITY COUNCIL

November 18, 1996

COUNCILLOR SULLIVAN

WHEREAS: The contract with the employees of the Research, Development and Technical Employees Union and Draper Lab expired in July and has been extended during the current negotiations; and

WHEREAS: The negotiations are ongoing but have been non-productive; now therefore be it

RESOLVED: That this City Council go on record encouraging Draper Lab to continue the negotiations with the union to resolve their differences as soon as possible.

ORDER ADOPTED

Consent Order #33

R-1174

Entire Membership

Councillor Sullivan re: Encouraging
Draper Lab to continue the negotiations
with the union to resolve their
differences as soon as possible.

In City Council November 15, 1996

ORDER ADOPTED