

Senate Democratic Policy Committee Hearing

“Shipping American Jobs Overseas: A Hearing on the Bush Administration’s Claim That Outsourcing is Good for the U.S. Economy”

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Good Morning Chairman Dorgan and members of the Democratic Policy Committee. I want to thank you for holding this hearing on offshoring and for recognizing the effects that this issue is having on the backbone of this country--the American workforce.

My name is Terrance L. Antidel and I am the former Midwest Area Vice President for the International Federation of Professional and Technical Engineers (IFPTE), the president of IFPTE Local 81, and a former employee with Lucent Technologies, Inc. For those of you who may not be familiar with IFPTE, it is an AFL-CIO affiliated labor union representing upwards of 80,000 white-collar workers in the U.S. and Canada. The IFPTE membership consists of workers from the federal, private and public sectors.

For 35 years I was employed as an Engineering Associate with Lucent, and as such, my job included several tasks--from advising customers with their telecommunications needs, to ordering the necessary materials and providing specifications and/or instructions to equipment installers or shop personnel, to maintaining these records on computer drafting tools. When I originally joined Lucent it was called Western Electric. Employees recognized that this was a place where they could have a lifelong career, and the ability to advance through the ranks. I was a loyal employee through the good times and bad. I gave of myself to help build and prosper the company. Over the years, I saw many changes occur within Lucent because of market forces, mergers and acquisitions, and new technologies, but through it all, the company always maintained a level of respectability toward its employees.

Lucent was a world-class corporation. Training and education were an integral part of its business plan. Employees were expected to perform, at a minimum, 40 hours of training per year on the newest technologies and social skills. At Lucent, an employee's knowledge and skill were valuable to the company.

This win-win climate began to change after the telecommunications industry downturn in 2001. Lucent's workforce was reduced from 106,000 to 33,000. It is now less than that. Then early last year, Lucent management announced they would be sending work performed by the engineering associates overseas to be done at a less expensive Lucent site. Later I found out it was being done in Poland.

In July 2003, the entire 42-member bargaining unit of IFPTE Local 81 was unceremoniously dismissed. When the layoff happened, I was extremely disappointed, and I felt depressed. My job was still at Lucent, only someone else overseas was now doing the work. The company did this with no feeling for the employees.

The hypocrisy of it all is that Lucent CEO Patricia Russo, received a \$3.2 million bonus last year and the number of paid board members has increased. While Lucent blatantly throws this in our faces, the employees continue to pay a heavy price—our jobs. When Local 81 was laid off, Lucent had reduced its workforce to 35,000 from a high of 106,000 in 2001. While the industry downturn assisted in a decrease in the employment roles, in the latter years offshore outsourcing has been the main culprit of jobs being sent to less expensive Lucent sites on foreign shores.

Right now I'm receiving health benefits and my pension; however, my benefits may soon disappear because Patricia Russo recently announced she wanted drastic cuts in retiree benefits. Yes, that is the very same Patricia Russo who on the one hand sends my job overseas as well as aims to gut my retiree benefits, yet on the other collects a bonus in excess of \$3 million!

This situation is getting worse everyday. I had planned on retiring in five years at age 62, to draw my pension and Social Security—this would have truly enabled me to retire. However, my retirement plans have been put on indefinite hold because I must go back to work. Before this year's out, I have to get a job. My pension is just enough to pay my bills, and I can't even think about saving because I need what I earn to live today instead on for the future.

In closing, I would like to thank Senator Dorgan personally for holding this hearing. I am a just one example of the dire situation that is facing many American's and until our nation's lawmakers act, it will only get worse.