

City of Chicago

Office of the City Clerk

Document Tracking Sheet



R2013-1141

Meeting Date:

Sponsor(s):

12/11/2013

Brookins (21) Fioretti (2) Dowell (3) Sawyer (6) Cullerton (38) Arena (45) Moreno (1) Resolution

Type:

Title:

Committee(s) Assignment:

Call for hearing(s) concerning conduct and business practices of The Hudson Group at Chicago Midway Airport Committee on Aviation

AVIATION

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WHEREAS, by ordinance passed on September 27, 2000, and published at pages 41583-41613 of the Journal of Proceedings of the City Council of that date, the City Council awarded a concession to Hudson JRE Midway Joint Venture ("Hudson Midway") for operation of a concession at Chicago Midway Airport ("Midway"); and

WHEREAS, by ordinance passed on April 11. 2007, and published at pages 102507-102547 of the Journal of Proceedings of the City Council of that date, the City Council awarded a concession to Hudson News – O'Hare Joint Venture ("Hudson O'Hare") for operation of a concession at Chicago O'Hare International Airport ("O'Hare"; and

WHEREAS, although nominally different entities, Hudson Midway and Hudson O'Hare both include Hudson News Company, doing business as The Hudson Group ("Hudson") in their ownership; and

WHEREAS, on its company website, Hudson claims both Hudson Midway and Hudson O'Hare as part of Hudson; and

WHEREAS, Hudson O'Hare and Hudson Midway serve substantially the same purpose, offering substantially the same product lines to travelers in and out of Midway and O'Hare; and

WHEREAS, in spite of claimed common ownership and common product lines, Hudson does not maintain a common pay scale for workers at Midway and O'Hare; and

WHEREAS, workers at Hudson Midway are paid an average hourly wage of \$8.92, while Hudson O'Hare employees receive an average of \$10.05 per hour – a difference of 12.7%; and

WHEREAS, Hudson Midway employees have no pension program and are not guaranteed raises, while Hudson O'Hare employees have a pension program and have received two raises in the past year; and

WHEREAS, the injustice of such varied treatment of similarly situated employees is obvious, and must be dealt with; and

WHEREAS, as the entity that has legal authority to award, renew or deny renewal of concessions at O'Hare and Midway, this City Council is in a unique position to assist the cause of justice; now, therefore,

BE IT RESOLVED that the City Council of the City of Chicago, through its Committee on Aviation, conduct one or more hearings to examine the conduct and business practices of The Hudson Group at Chicago Midway Airport; and **BE IT FURTHER RESOLVED** that the Commissioner of Aviation shall send one or more knowledgeable representatives of the Department of Aviation to inform the Committee regarding this matter; and

BE IT FURTHER RESOLVED that the Chairman of the Committee on Aviation and the Commissioner of Aviation shall invite the Hudson Group to explain its compensation system and personnel practices at Chicago Midway Airport and compare that system and those practices to their counterparts at The Hudson Group's operations at Chicago O'Hare International Airport; and

BE IT FURTHER RESOLVED that other interested and knowledgeable persons and entities be invite to testify in the subject hearings.

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