Teamsters reach sellout agreement “in principle” with UPS

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The Teamsters union and United Parcel Service are preparing to impose historic concessions on UPS workers, according to a tentative agreement announced last night.

Full details of the deal have not been released and the contract has yet to be finalized. Further talks are scheduled from July 9 to July 12. However, the details that have been made public make clear that the agreement is a betrayal of UPS workers, who voted by a margin of 93 percent to authorize a strike.

UPS has long been a pioneer in developing a low-paid, highly exploited workforce, with 70 percent of its 230,000 US employees working part-time for starting wages of as little as $10 per hour. This has been implemented with the active support of the International Brotherhood of Teamsters, which has colluded over decades in imposing contract concessions.

According to a statement released by the union, the tentative agreement would create a new “hybrid driver” position, a second and lower-paid tier of drivers who would split their time between deliveries and working at UPS distribution hubs. These workers would start out at $20.50 per hour and top out at $34.79 by 2022, significantly less than what drivers currently make. Up to now, UPS driver has been one of the few remaining decent-paying hourly positions at the company.

The hybrid driver plan was originally proposed by the Teamsters union, not the company, according to leaks from the union negotiating committee. This information has provoked widespread anger among the rank and file.

The agreement includes a paltry $4.15 per hour increase in wages for full-time employees over the five-year life of the contract, barely enough to keep up with inflation.

The deal would also raise starting wages for part-timers from $10 to $13 per hour, increasing to $15.50 per hour by the end of the contact. This poverty-level starting pay for part-timers is even less than the $15 per hour that some facilities have already begun to pay on the West Coast, in response to astronomical turnover caused by brutal working conditions.

Yesterday’s announcement amounts to a provocation against UPS workers. Lead negotiator Denis Taylor, the bargaining committee, and Teamsters President James P. Hoffa simply ignored the near-unanimous opposition among UPS workers to the creation of a second tier of drivers. Instead, the Teamsters claimed that the new tier was in response to “membership concerns, including Saturday and Sunday delivery, excessive forced overtime [and] time off.”

The move would “create additional high-paying, full-time opportunities for part-time employees and provide thousands of additional contributors to our Teamster pension funds,” the statement claims. This makes clear that the strategy of the Teamsters and UPS to force through the two-tier system is to set lower-paid part timers against existing full-time drivers.

The reference to the Teamsters pension funds suggests that in pushing a two-tier driver system the union aims to bolster the finances of the multi-billion-dollar funds that serve as investment vehicles and sources of income for the union bureaucracy, even as pension payments to retirees are being slashed.

Taylor, the Teamsters’ package division director, claimed in the union’s official statement: “I am confident that once the membership has reviewed and understood the changes, they will see that this agreement is among the very best ever negotiated for UPS members.”

He continued: “On behalf of the entire National Negotiating Committee, I also remind the membership, once again, that they should not rely on the misinformation that is circulating on the Internet. The groups that are generating that misinformation do not have your best interests in mind.”

Taylor’s reference to “misinformation”—that is, truth that cuts against the bureaucracy’s lies—is reminiscent of

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the campaign launched by the United Auto Workers against Internet "fake news" in 2015, after workers took to the Internet to express and organize opposition to the union's sellout contract, which created a third tier by expanding the use of part-time workers. In particular, the UAW campaign was focused against the growing influence of the *WSWS Autoworker Newsletter*, which became a center of opposition to the sellout.

The release of the statement prompted outrage among UPS workers.

A UPS worker in Michigan denounced the two-tier scheme to the *World Socialist Web Site*. "I've seen my dad go through that at GM," he said. "They introduced two tiers in 2004 and 2007 and then they would give the lower tier workers bonuses to sign contracts that cut pensions. It was used to divide workers and get rid of 100 years of collective bargaining. The UAW was bribed to sign those contracts. I'm almost certain that Denis Taylor and Hoffa are getting paid off. I can't prove it, but there is too much going on behind our backs."

An older worker from the Los Angeles area told the *World Socialist Web Site* that he thought the hybrid driver position could be used to divide the work force. He said: "They are currently making $12 per hour on average, and eyeing a $20-$34 driver-inside split will likely seem attractive, even if full-time drivers are making $41 per hour. So I do believe this has to be called out, as it's a slippery slope for all, seeking to split the membership in two, much like what happened in the union betrayals of the 1980s at the auto manufacturing plants."

Given the widespread opposition to the tentative agreement, there is every possibility that the final contract will be voted down. However, this will not convince the Teamsters bureaucracy to conduct a genuine struggle. In 2014, Hoffa responded to repeated rejections of the 2013 contract and its local supplements by overriding the vote and imposing it unilaterally.

The Teamsters union will do everything it can to avoid a strike, or, if that becomes impossible, to limit and isolate it in order to ensure its defeat. Investment firm Wolfe Research, LLC has suggested that although it is unlikely the Teamsters would actually call a strike, UPS should consider the advantages of a "short-term" strike in order to wrest further concessions that would provide "long-term labor flexibility."

The UPS deal underscores the fact that the Teamsters union has long since been transformed from a workers' organization into a pro-company, anti-working class industrial police force. Changes in the structure of the world economy have produced a similar change in every union, all of which now see their primary function as the suppression of the class struggle. As a union lawyer recently argued before the Supreme Court, "union security is the tradeoff for no strikes."

A serious struggle against wage and benefit cuts can take place only on the basis of a rank-and-file rebellion against the unions. This was demonstrated by the teachers' strikes earlier this year, when teachers organized outside of the unions and defied initial attempts to send them back to work. In the end, however, the unions were able to regain control due to the lack of a conscious political leadership fighting to establish new organizations of struggle—rank-and-file committees—to broaden the strikes and direct them consciously against both the Republican and Democratic parties and the pro-corporate unions.

This perspective is opposed by various "dissident" groups within and around the Teamsters bureaucracy such as the Teamsters for a Democratic Union. The history of the TDU demonstrates the bankruptcy of the perspective of reforming the union.

The TDU entered into the Teamsters leadership under former President Ron Carey, whose sellout of the 1997 UPS strike established the principle of two-tier wages at the full-time level through the hiring of part-time employees working full-time hours at a reduced wage scale. Carey himself was later brought down in a corruption scandal implicating the AFL-CIO and the Democratic National Committee.

Workers should begin organizing now to oppose the Teamsters-UPS contract. The *World Socialist Web Site* and the Socialist Equality Party urge UPS workers to form rank-and-file committees in every workplace, completely independent of the Teamsters bureaucracy, to unite full-time and part-time workers and appeal to broader layers of the working class, especially Postal Service workers, whose contract expires on September 20, and Amazon workers. Workers who are interested in organizing such a struggle should contact the *World Socialist Web Site* to discuss this perspective.

To contact the WSWS and the Socialist Equality Party visit:

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