

# Amid growing outrage from workers, Teamsters release sellout UPS Freight contract agreement

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On August 1, the Teamsters union released a tentative contract agreement reached with UPS covering nearly 12,000 employees in the US under the UPS Freight bargaining unit, the day after the expiration of their previous contract. The proposed contract marks the most significant assault on UPS Freight workers since this subdivision of UPS was founded in 2005 with the acquisition of Overnite Transportation Company.

Freight workers are those who deliver less-than-truckload (LTL) and truckload shipments, which are larger than parcels sent out for home delivery and generally used for commercial shipping. Despite facing similar working conditions to their 240,000 coworkers at UPS, whose contract also expired on July 31, UPS Freight workers are covered by a separate contract.

There is growing hostility among UPS workers to the company and sentiment for a strike. Earlier this year, over 93 percent of UPS workers and 91 percent of UPS Freight workers voted to authorize the Teamsters to call a strike. The Teamsters, however, are doing everything in their power to wear down opposition and push through the agreements.

The Teamsters delayed the release of details on the UPS Freight contract agreement for as long as possible. After announcing that they had reached an agreement in principle weeks ago, they refused to release any details until August 1, after the old contract had expired.

In releasing their deal with UPS, the Teamsters falsely claim, “Under the tentative agreement, UPS Freight’s wage and benefit packages will continue to be among the highest in the LTL industry. Furthermore, contractual protections and benefits to the bargaining unit have been greatly enhanced. In fact, it is estimated that the overall costs of the tentative agreement to the company are more than 33 percent higher than the costs under the current agreement.”

All of these claims by the Teamsters are fraudulent, in particular the claim that the agreement will increase UPS’s labor costs by over a third, which appears to have been

pulled out of thin air. In reality, the released contract agreement includes numerous concessions and givebacks to the company that will *reduce* labor costs.

Drivers’ wages will increase a paltry 1.7 percent over the next five years, less than the rate of inflation of roughly 2 percent in 2017. This will mean a significant decrease in real wages over the life of the contract.

Moreover, the new contract surreptitiously creates a second tier of lower-paid workers by creating a new top tier for “in-progression workers,” that is, those that are not yet at the top tier. They will top out at the current top rate, which will not increase over the life of the contract. Thus a worker who reaches the top rate in 2023 will be paid \$2.20 per hour less than workers who are currently at the top rate.

Older workers will now be targeted for replacement, as UPS seeks to lower its labor costs to compete with Amazon, FedEx and other logistics companies. The company now has a greater incentive to harass, victimize and otherwise force older workers out so they can be replaced by younger, lower-paid workers.

Article 18 of the tentative agreement gives UPS the power to arbitrarily impose an additional two hours of work on workers, requiring only that the company make an unspecified “attempt” to inform the worker before their shift starts. This section begins by seemingly limiting UPS’s ability to force workers to work more than 11 hours, itself an abomination, but then grants them a huge exception in subparagraph E, which makes this guarantee practically useless. Subparagraph E states:

However, if there is no working shift at the terminal, the Employer can direct the junior employee(s) to finish up any work assignment necessary to meet service requirements. Example: the Employer giving the directive to the last shift on any workday to stay until work is completed, provided no

other employees are scheduled to report at that time. If service requirements discussed in this paragraph require an employee(s) to remain at work past eleven (11) hours and the Employer notifies the employee(s) of the utilization of the language contained in this paragraph, the protection against discipline outlined in paragraph (C) and (D) no longer applies and the employee(s) may face discipline for leaving, up to and including discharge.

On the Facebook page, “UPS Freight Teamsters,” a worker named Bill commented, “11 hours is too much! WTF! My body is worn out and we have no life. Work till you drop? That’s not a union job.”

Since the last contract was pushed through, UPS has imposed speedups, particularly on warehouse workers under the larger bargaining unit. The proposed contract anticipates that technological changes will impact UPS Freight as well, noting in Article 23, Section “e”: “If a technological change creates new work that replaces, enhances or modifies bargaining unit work, bargaining unit employees will perform that new or modified work.” Thus, the proposed contract mandates that workers comply with any technological changes that UPS introduces, which will include self-driving cars in the not-too-distant future.

The tentative agreement deliberately weakens language protecting wage theft, which is a pervasive issue among UPS workers, with one worker from Tennessee telling the WSWS he had recouped \$500 in two months alone due to falsely recorded time sheets.

Article 17 of the contract proposal raises the minimum threshold for “verified payroll errors” from \$20 for all employees, to \$50 for full-time and \$25 for part-time workers, respectively. That is, workers will not be able to file payroll error requests if the amount involved is less than this. Further, it extends the time that the company has to make workers whole from “the next business day” to a full 72 hours, or three days. These slight changes in the contract could potentially funnel millions of dollars back to the company through wage theft.

Article 13 of the proposed contract adds a section titled “Permanently Disabled Employees,” which gives UPS the ability to demote any disabled full-time employees to part-time, stating, “If a full-time employee cannot be reasonably accommodated in a full-time job, the Company may offer a part-time job as a reasonable accommodation if the employee is qualified and meets the essential functions of the job.”

Article 25, Section 5 of the proposed contract erodes workers’ paid vacation days significantly, mandating that

full-time employees work 182 shifts each year to be eligible for full vacation days, instead of the previous threshold of 156 shifts.

The contract also makes inroads into workers’ family medical leave, stating in Article 24, Section 3, “The Company may require the employee to substitute accrued paid vacation or other paid leave for part of the leave period.”

The tentative contract agreement has been met with anger by rank-and-file workers. On the Facebook page, “Vote No on UPS Contract,” which is a highly popular forum for UPS workers, numerous freight drivers have denounced the released contract agreement. A worker named Kris expressed his solidarity with freight drivers, saying, “I’m a small pkg driver and I will support and back my Freight brothers & sisters, to Vote No. SOLIDARITY”

Another worker, David, said, “There is no reason that you guys aren’t getting the same benefits that we get in small-pack.” Ronald commented, “182 shifts instead of 156 to qualify for your vacation for a year. I don’t see anything that is good with this contract. What a slap in the face!!! I’ll be voting NO!!!”

This Thursday, there will be a national meeting of the Teamsters, in which the leaders of each local will meet to review and vote on the tentative agreements. If the contract is approved, it will then go to a national vote of the membership.

The *WSWS UPS Workers Newsletter* urges UPS Freight workers to vote “no” on this sellout contract, which demonstrates the collusion between the Teamsters union and the company to impose worse working conditions and living standards for all UPS workers. Even with a “no” vote, however, the Teamsters will not negotiate a better contract, and have even threatened workers that the next one will be worse.

UPS Freight workers must break the artificial separation with their 240,000 coworkers at UPS, and form unified, independent rank-and-file committees to prepare for the broadest possible strike action. These rank-and-file committees will establish lines of communication with other sections of workers, in particular Amazon, FedEx, USPS, and other logistics workers, who collectively form the circulatory system of the modern, globalized economy.



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