

# UPS lays off second-tier delivery drivers, in shot across the bow ahead of summer contract talks

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14 February 2023

*Work at UPS? Give us your thoughts on the layoffs and what you are fighting for in the next contract. All submissions will be kept anonymous.*

Logistics giant UPS is laying off delivery drivers at locations across the United States. The size of the layoffs is not known, but job cuts have been widely reported by workers around the country. The corporate media has reported layoffs in Washington state and in New York, and the WSWs has received information that more layoffs have occurred in Anaheim, California and in the Boston area.

The move takes place before the expiration of the company's current five-year agreement with the International Brotherhood of Teamsters (IBT) on July 31, and the official beginning of contract talks on April 17. It is clearly meant as a shot across the bow at UPS workers and a signal that management will brook no opposition from them.

Significantly, outside of a few locals, the Teamsters union has not even acknowledged the layoffs as of this writing. The move also comes as massive cuts to the New England Teamsters Pension Fund of up to 60 percent have been floated. Those cuts may or may not occur, in the immediate instance, depending upon a federal bailout of the heavily indebted fund.

The layoffs are targeting mainly "hybrid" drivers, also known as "22.4s" after the relevant clause in the UPS-IBT contract. This second tier of lower-paid delivery drivers, who split their time between making deliveries and working in warehouses, was created in the 2018 Teamsters contract, which workers voted to reject but which was unilaterally imposed by the Teamsters bureaucracy, using an anti-democratic loophole then in the union's constitution.

The creation of the hybrid position was a major concession undermining the position of delivery drivers of the few decent-paying jobs left at UPS (although drivers also work in notoriously poor conditions in trucks lacking air conditioning, which produced a series of heat-related injuries last summer). UPS was a pioneer in the late 1970s in the transition to a low-paid workforce when it began to transition towards the use of part-timers in its warehouses. Today, two-thirds of the approximately 350,000 unionized workers at the company are part-time workers, mostly young and struggling to make ends meet.

From the late 1990s until 2013 when it was raised to \$10,

starting pay for warehouse workers was stuck at \$8.50 per hour. Starting wages under the current contract were set at \$13 an hour in 2018 and have only risen to \$15.50 today. These wages, which were "collectively bargained" by the Teamsters apparatus, are so low, in fact, that it is significantly below what UPS needs to attract sufficient numbers of workers. Warehouses around the country routinely use "market rate adjustments" (MRAs) to entice new workers.

This is set unilaterally by management and can differ substantially from warehouse to warehouse even within the same geographic area. One warehouse in Salt Lake City even has four different MRAs for each of its shifts.

## Part time workers speak out

UPS workers at the company's Worldport freight hub in Louisville, Kentucky recently spoke with the WSWs about working conditions. "I've worked at UPS more than 21 years and it took me 20 years to become full-time," a veteran worker told the WSWs.

"It took 13-14 years just to get a guaranteed six hours a night," he added. "Every year you work towards getting a full-time position is one year less you're working towards your pension. Like a lot of other workers here, I've had to have multiple jobs just to pay my bills."

A young part-time worker added, "I don't want to quit this job but if it weren't for my wife working, we couldn't afford rent. I'm only guaranteed three hours a night. They make a big deal out of paying \$20 an hour but you don't get enough hours. My dad is a UPS driver, and they tell you that you can earn 'middle class' standard of living here. But you can be a part-timer for years."

Another young worker said, "I got a cousin who left Amazon. They get paid less than us, but they get more hours. I'm getting less than 20 hours a week and you never know how many hours you're going to get. I'm 17 years old and part of the 'School to Work' program for high school students. They promise to pay for one college class per semester if you work here but if you fail you pay the \$700 out of your own pocket."

“Billionaires like Bezos and Musk are getting \$250 million every week and they want us poor people to work like dogs,” he concluded.

“There was a UPS worker who had a heart attack while driving,” another young worker said. “\$20 an hour sounds like a lot for someone 17-18 years old. But it is hectic at UPS, and you don’t get the hours.”

“They treat the Amazon workers like slaves, but we’re abused here too,” said another young worker who marshals UPS airplanes to their parking stands or runways. “I told a supervisor that it was my lunch break and he said I had to ‘drive and eat.’ In other words, forget about eating. My union steward said I could not file a grievance over that.”

Among UPS workers, and in particular among warehouse workers, there is an increasingly militant mood and a determination to fight for the wages that they deserve. One sympathetic first-tier delivery driver said, “The two-thirds part-timers, they outvote us full-timers. That’s a good thing. They can hold up this contract if they want to. They are making wages that are unlivable. And if the MRA in one area is \$22 an hour, then that should be the floor in the new contract.”

### **UPS contract fight: a major struggle for the working class**

UPS is claiming that the layoffs are merely reasonable adjustments, based on market demands. But there can be no question that the company is eyeing huge cuts. Rival FedEx is already laying off thousands of management positions, and Amazon announced plans to lay off 18,000 white collar workers earlier this year.

While these layoffs anticipate an expected economic downturn, they are, more fundamentally, the product of deliberate policies being pursued by the corporate-controlled parties in Washington. The Biden administration and the Federal Reserve, through the ramping up of interest rates and other measures, are seeking to drive down wages and ramp up unemployment as a way of beating back the rising tide of class struggle, as workers press for a fight against worsening wages and working conditions.

2023 will be a year of major social conflict in the United States. This year, 1.5 million workers have their contracts expire, including approximately 177,000 autoworkers in the US and Canada whose contracts expire shortly after the UPS contract. A contract for 5,000 Caterpillar workers expires March 1; 35,000 New York City transit workers on May 15; and 3,500 Mack Trucks workers on October 1. A national strike at UPS, the first in more than 25 years, would have a galvanizing effect on workers across the US and around the world.

The Democrats and Republicans are also seeking to deal with workers by ripping up their right to strike. Last December, Congress intervened to impose a contract on 120,000 railroad workers, about half of whom are also Teamsters members. President Biden’s preferred solution, however, is to enlist the services of the pro-corporate union bureaucracy to enforce

austerity contracts and de facto ban strikes.

Biden was able to do this last year for national contracts for refinery workers and dockworkers (the latter have been left on the job by the International Longshore and Warehouse Union for seven months without a contract), and tried unsuccessfully to do it with the railroads, where workers rejected a contract worked up in White House talks.

The apportioned role of the Teamsters bureaucracy will be to try to find some way of keeping rank-and-file UPS workers under control and ram through a sellout contract. This is a task for which they have been preparing for years, including through the elevation of Sean O’Brien as general president in 2021. A notorious thug for his predecessor James Hoffa, O’Brien has been falsely recast as an energetic militant and reformer, with the critical assistance of the Teamsters for a Democratic Union (TDU). TDU endorsed O’Brien’s slate and has been rewarded with responsible positions in his administration.

O’Brien, a former top official from the Boston area, also has close ties with the Biden Administration, particularly through outgoing Labor Secretary Marty Walsh, a former union official himself and mayor of Boston.

Since his election, O’Brien has employed angry-sounding demagoguery to try and get in front of rank-and-file anger, and has threatened to strike UPS if a new contract is not in place by the July 31 deadline. But O’Brien has subjected workers to a near-total information blackout. Workers have not been told what the union’s position will be on wage demands, positions or anything else. Moreover, there is little enthusiasm or trust in O’Brien among rank-and-file workers, who was elected in the lowest turnout since the union was forced by the federal government to switch to direct elections in the early 1990s.

The stage is being set for a major social conflict. The critical issue is whether workers will have worked out the necessary strategy and organization in advance. Workers cannot leave the struggle in the hands of the pro-company bureaucrats like O’Brien, but must take control themselves. This means the formation of independent rank-and-file committees, composed of trusted workplace militants, as an alternative leadership to fight for workers’ demands.



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