

UPS will have eliminated at least 68,000 jobs through early 2026

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United Parcel Service (UPS) eliminated roughly 48,000 jobs in 2025 as part of its sweeping “Network Reconfiguration and Efficiency Reimagined” program, the largest workforce reduction in the company’s history.

The job slashing, involving tens of thousands of operational workers and nearly 100 facility closures, is projected to include another 20,000 positions in 2026 under the same restructuring drive. These job cuts are bound up with a strategic downsizing of UPS’s reliance on Amazon volume and a massive expansion of automation and robotics.

Meanwhile, the layoffs have been carried out with the collaboration of the International Brotherhood of Teamsters bureaucracy led by President Sean O’Brien. Union officials worked systematically to contain and dissipate opposition among workers after ramming through the 2023 contract that paved the way for this assault.

Public filings and earnings reports show that UPS reduced its workforce by about 48,000 positions over the course of 2025, equivalent to roughly 10 percent of its 490,000-person workforce. Most of the cuts were taken from the “operational workforce,” including package drivers and inside sort workers.

Of these, approximately 34,000 were operational jobs and about 14,000 were management positions, many achieved through “voluntary” buyouts that were coerced under the threat of mass layoffs, with 90 percent of participating full-time drivers forced out by August 31, 2025.

The destruction of jobs is inseparable from a drastic consolidation of UPS’s physical network. In the first nine months of 2025, UPS shut down daily operations at 93 leased and owned facilities and signaled that more buildings are “under review” for closure.

UPS management projects that this restructuring will wring at least \$3.5 billion in annual cost savings from the workforce between 2025 and 2027. These “savings” represent the unpaid wages, destroyed livelihoods, and intensified exploitation of the remaining workforce and are contributing to improved UPS profitability.

Although financials for 2025 are yet to be published, UPS is expected to have reduced annual revenue of \$88 billion, compared to \$91 billion in 2024. Net profits in 2024 were \$5.8 billion (6.37 percent); job slashing and restructuring in 2025 are expected to result in a net profit of \$5.5 billion (6.25 percent).

As of September 30, 2025, UPS executives boasted that they had already stripped out \$2.2 billion in costs compared to the previous year, while warning that the “network reconfiguration” will continue through 2027 in ever-deeper rounds of consolidation, job elimination and speed-up.

These cuts have resulted in a windfall for UPS investors. Shareholder payouts totaled approximately \$6.52 per share in 2024

and are projected to reach about \$6.56 annually for 2025. The 2025 payments also included \$1 billion in share buybacks by UPS.

UPS CEO Carol Tomé has presented the job massacre as a “significant strategic shift,” repeatedly declaring that the company is reengineering its network to “emerge as an even stronger, more nimble UPS” in the face of a changing trade environment and an “uncertain macro environment.”

In comments linked to the restructuring, Tomé called the program “the most significant strategic shift in our company’s history,” making clear that workers are being sacrificed to preserve profitability and shareholder returns. A central pillar of the plan is a deliberate reduction of UPS’s dependence on Amazon, historically its largest single customer but now a direct competitor that has built out its own delivery network.

Tomé explained that the company “reached agreement with Amazon to reduce their volume in our network by more than 50 percent by June of 2026,” emphasizing that the Amazon fulfillment-center outbound volume being shed is “not profitable for us, nor a healthy fit for our network.” UPS will only retain the “profitable and healthy” portion of Amazon’s business.

The job cuts and facility closures are directly tied to the UPS strategic “glide down” of Amazon volume. As UPS put it, the “network reconfiguration and efficiency reimagined program is aligned with our anticipated Amazon volume reduction in 2025 and is expected to remove 3.5 billion dollars of cost from the business.”

In practice, the “rebalancing” away from Amazon has been used to justify an acceleration of a broader restructuring aimed at raising profit margins by eliminating jobs, closing “redundant” smaller buildings, and pushing more work into giant, highly automated “network of the future” hubs.

Automation and robotics are not an incidental feature of the UPS strategic plan. They are a core mechanism of the offensive against workers, with UPS pouring resources into automated sorting, robotics and AI-driven routing as part of what one logistics analysis describes as a shift toward more machines, fewer workers and 24/7 throughput.

Around 400 UPS centers are being partially or fully automated, and at the company’s flagship “UPS Velocity” facility in Louisville, Kentucky, robots now outnumber workers 15 to 1, reportedly boosting productivity by up to 300 percent, an obscene ratio that sums up the real content of the so-called “network of the future.”

The ruthless character of UPS’s restructuring exposes the complicity of the Teamsters leadership, which only months earlier hailed the 2023–2028 national UPS agreement as a “historic” victory while suppressing any serious struggle by the rank and file against the giant multinational corporation.

When UPS began preparing its buyout and layoff program in mid-2025, the Teamsters bureaucracy's primary objective was to prevent the 340,000 UPS workers from conducting a nationwide strike. Carefully worded statements were issued by the union that combined phony outrage with assurances that the union would respect management's "right" to eliminate jobs in corporate and non-union layers.

In July 2025, when reports emerged that UPS was preparing what the union started calling an "illegal plan" to buy out full-time Teamster drivers, General President Sean O'Brien complained that "UPS is trying to weasel its way out of creating good union jobs here in America by dangling insulting buyouts in front of Teamsters drivers. It is an illegal violation of our national contract."

He added that "if UPS wants to continue to downsize corporate management, the Teamsters won't stand in its way. But if the company intends to violate our contract or makes any attempt to go after hard-fought, good-paying Teamsters jobs, UPS will be in for a hell of a fight."

However, O'Brien's promised "fight" never materialized, and the union apparatus acquiesced as tens of thousands of jobs were wiped out under the cover of local "changes of operations" negotiations, individual buyout deals and the closure of dozens of facilities.

The union's stance—explicitly endorsing corporate downsizing of "management" and confining its objections to narrow contractual technicalities—flowed directly from its own role as junior partner in enforcing UPS's cost-cutting agenda against the workforce.

From the outset of the 2023 contract fight, the *World Socialist Web Site* warned that the Teamsters leadership under O'Brien—backed by the Teamsters for a Democratic Union (TDU) and Biden administration—was engaged in a coordinated operation to impose a pro-company contract, prevent a strike and prepare conditions for massive job cuts and automation.

The WSWs explained that behind the media hype over wage increases that did not bring the income of UPS workers in alignment with inflation, the agreement preserved management's control over staffing levels, permitted forced overtime, and maintained the framework for UPS to pursue buyouts, consolidations and mechanization without any resistance from the union bureaucracy.

Subsequent WSWs articles on the UPS layoffs characterized the 48,000-job bloodbath not as an unforeseen development but as the logical outcome of that betrayal, long discussed in closed-door talks between the company, the Teamsters apparatus and government officials.

In the WSWs analysis, the central issue is not only the greed of UPS management but the transformation of the union apparatus into instruments of corporate management and the state, hostile to the interests of rank-and-file workers and indispensable in enforcing the dictates of finance capital in the logistics sector. This view was confirmed by O'Brien's support for economic nationalism and his tacit backing of the fascist Donald Trump for US president in 2024. Since then O'Brien has become an outspoken backer of Trump, including his witch-hunting of immigrant workers.

The WSWs situated UPS's actions within a broader global offensive by logistics and tech giants such as Amazon to weaponize automation and artificial intelligence against workers, eliminating hundreds of thousands of jobs while intensifying exploitation of those who remain. The layoffs at UPS and Amazon are warning shots in an international war on the working class, in which the time-and-motion studies of the early 20th century are being replaced by algorithmic

management and robotic systems that monitor, discipline and ultimately replace human labor, with the unions acting as enforcers.

During the 2023 contract campaign, the WSWs and the UPS Workers Rank-and-File Committee fought to arm workers with a clear understanding of what was being prepared, insisting that the Teamsters' strike deadline and "strike ready" rhetoric was a fraud designed to wear down opposition and impose the company's terms.

O'Brien and the TDU staged a tightly managed "contract campaign" whose real aim was to prevent a national strike that could have united UPS workers with postal workers, railroaders, autoworkers, dockworkers and others in a common struggle against the corporatist alliance of the unions, the corporations and the Biden and now-Trump administrations.

The WSWs warned that the contract's provisions on full-time job creation and "protections" against excessive overtime were filled with loopholes, that the company would rely heavily on buyouts and attrition to shrink the full-time workforce, and that the union bureaucracy would respond by isolating local struggles and policing any rank-and-file resistance in the name of "enforcing the contract."

These warnings have now been confirmed by events: the 48,000 jobs destroyed so far, the closure or hollowing out of nearly a hundred facilities, the conversion of hubs into robot-dominated "velocity" centers, and the Teamsters' opposition the most basic collective action to defend jobs.

For workers, the essential conclusion that must be drawn is that the fight against layoffs, automation and speedup at UPS requires the building of independent rank-and-file committees in every hub and center, linked across the logistics industry and internationally, to break the grip of the union apparatus and unify workers across companies and borders. This must be combined with the fight for a socialist program that places the giant logistics and tech corporations under the democratic control of the working class so the revolutionary developments in technology can be used to shorten the workday and improve the lives of workers, not impoverish them.



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