UPS preparing to offer second driver buyout, as it plans 30,000 layoffs in 2026

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During a quarterly earnings meeting on January 27, UPS Chief Financial Officer Brian Dykes announced that the company plans to cut another 30,000 jobs this year and implement a second driver buyout program to accelerate the process. The Teamsters responded on Monday by announcing they were filing a lawsuit against the buyout.

The opposition of the Teamsters apparatus is entirely hypocritical and self-serving. The core of the lawsuit is not a defense of the membership but a defense of the bureaucracy's own position and privileges. Conspicuously absent from the Teamsters' statement is any mention of the broader context: The buyout is part of a massive wave of layoffs.

In early 2024, just months after the supposedly "historic" UPS contract, the company announced 12,000 layoffs of middle and lower management and plans to close 200 facilities through automation. The following year, UPS announced plans to eliminate another 20,000 jobs. Actual cuts were far higher: 48,000 layoffs and 93 facility closures in 2025, with 34,000 coming from operations and 14,000 from management—about 10 percent of the company's workforce.

If UPS continues with these reductions at the current rate, layoffs will reach at least 90,000 by the end of this year.

This jobs massacre is never mentioned by the Teamsters in their complaint against the buyout plan. They are far more concerned that their challenge to the first buyout last summer is awaiting arbitration, and that a second buyout would cause "damage to the Teamsters"—by which they mean damage to the bureaucracy—by sidestepping its role as bargaining agent.

In their statement, they write that the buyout "would give drivers a one-time lump sum payment in exchange for Teamsters legally committing to never work for UPS again" and to "waive their rights to union representation." Unlike a similar program last summer that targeted drivers near retirement, this program would aim at a broader section of the UPS driver workforce.

They further allege that UPS is committing "at least six violations of its National Master Agreement ... including direct dealing of new contracts with workers, elimination of union jobs when UPS contractually agreed to establish more positions, and erosion of the rights and privileges of union shop stewards, among other charges."

Nowhere is the assault on tens of thousands of jobs mentioned.

If the buyout violates contractual promises to create jobs, wouldn't the layoffs do the same? In fact, no—and neither does the buyout. Based on the contract rammed through by the Teamsters apparatus, UPS is not obligated to create jobs. Section 22 of the master agreement merely states that "UPS will offer part-time employees the opportunity to fill at least 22,500 permanent full-time job openings," and this commitment "shall include the obligation to create at least 7,500 new full-time jobs from existing part-time jobs."

There is nothing in the contract that requires the company to create jobs above prior employment levels. Nor is there any protection against mass layoffs. UPS can create new positions and then eliminate several times that number with impunity.

The Teamsters bureaucracy has consistently ignored the prolonged and accelerating assault on jobs at UPS. Tens of thousands have been laid off as part of the company's restructuring program to deal with declining volume and to extract maximum profit through a reduced workforce and fewer facilities. Automation is playing a critical role, with several hubs temporarily closed to be refurbished with advanced automation infrastructure. At the company's flagship "UPS Velocity" facility in Louisville, Kentucky, there are reportedly 15 robots for each worker, boosting productivity by as much as 300 percent.

This technology, often paired with AI, could be used to increase efficiency, ease the physical toll on workers and reduce hours while raising pay. Instead, UPS and Wall Street are using it to destroy jobs and intensify the exploitation of the working class.

The union bureaucracy raises no opposition to this, only to what it sees as threats to its social position as a labor contractor between management and the membership. This concern animates both its posture against the buyout and its fear of a mobilized rank and file that could quickly develop beyond its control and threaten its privileges.

Connected to this is the growing financial and organizational separation of the bureaucracy from the membership. In 2024, the Teamsters paid 214 officials $200,000 or more per year. Despite decades of declining membership, the Teamsters have increased their assets from $101 million in 2001 ($182 million adjusted for inflation) to $650 million and their income from $106 million ($191 million today) to $375 million in 2024, according to Department of Labor filings. From this, the apparatus consumes $153 million annually for salaries, benefits and activities at the national headquarters alone.

This fiscal glut expresses deeper social forces that have transformed the union bureaucracy into an arm of management. Economic shifts such as globalization, widening social inequality, the decline of American capitalism and the rightward turn in US politics have undermined the old union program of national reformism.

The unions responded not by mobilizing workers against these conditions but through corporatism—the integration of corporate and bureaucratic interests—abandoning even the most limited defense of workers.

Today, the interests of the rank and file and the union bureaucracy could not be further apart. While workers face intensifying attacks on jobs, wages and working conditions, bureaucrats like Sean O’Brien are cozying up to the fascist Trump in search of a favorable role for themselves within his developing dictatorship. Those officials who criticize Trump are paralyzed before his attacks, more afraid of provoking a rank-and-file rebellion than of confronting him.

This is why the Teamsters say and do nothing to stop layoffs but hypocritically clutch their pearls over a buyout at UPS. Moreover, as servants of the system that sustains their own social position, the would-be reformers in Teamsters for a Democratic Union (TDU) fall into line, enthusiastically endorsing O’Brien while silencing dissent in their own ranks. The “rebels” of yesteryear are today’s loyalists.

It is further proof that the Teamsters bureaucracy cannot be reformed from within. Regardless of personnel, it will dutifully carry out its role in suppressing rank-and-file opposition, while tens of thousands of jobs are destroyed. Layoffs may shrink the dues base, but whatever props up the stock market keeps dividends from the bureaucracy’s investments flowing.

If left unchallenged, the Teamsters apparatus will steer workers into disaster. Layoffs in the US last year exceeded 1.1 million, and January saw 108,000 job cuts—the highest figure since 2009, outside the initial COVID-19 lockdowns.

Opposition to these conditions is widespread. Thousands of nurses have struck in New York and California this year, and calls for a general strike against the ICE occupation of Minneapolis–St. Paul met enthusiastic support from millions. A movement against attacks on jobs, working conditions and democratic rights cannot be left in the hands of the union bureaucracy. In fact, the Teamsters refused to support the call for a general strike in Minneapolis.

UPS workers must take matters into their own hands and organize independent action through rank-and-file committees in every workplace. They must fight for an end to mass layoffs, workers’ control over automation, higher pay, expanded opportunities for part-time workers and more.

Such a movement will find immense support from the working class across the United States and internationally. Workers are determined to fight these conditions, but they must break free from the immobilizing grip of the union bureaucracy, which suppresses opposition and enables UPS to destroy workers’ livelihoods.

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