

Teamsters and UPS reach settlement over driver buyouts, while company continues plans to slash 30,000 more jobs

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On April 4, UPS reached a deal with the Teamsters union paving the way for thousands of buyouts of package delivery drivers. The Teamsters union has hailed the agreement as a major “win,” while continuing to ignore the tens of thousands of layoffs UPS is carrying out nationwide.

Under the so-called “Drivers’ Choice Plan” (DCP), high seniority drivers can choose to retire early for a buyout capped at \$150,000. The number of buyouts will be limited to 7,500 drivers. The company had earlier unilaterally offered a buyout program directly to drivers, drawing the ire of the Teamsters apparatus.

In a press statement, Teamsters General President Sean O’Brien stated: “Lifelong Teamsters who have given so much of themselves to making UPS the king of parcel delivery will have the right of first refusal on any severance agreements,” and “UPS will no longer have the chance to go around the union without giving Teamsters the respect they deserve at the bargaining table.”

By claiming a victory over the buyouts, the Teamsters apparatus is signaling to UPS that, as long as the bureaucracy is included, the destruction of UPS workers’ livelihoods can proceed.

For all his claims of “respect at the bargaining table,” the current UPS contract was passed by the Teamsters apparatus on the basis of massive lies. Only months after the deal was ratified in the fall of 2023, UPS launched its “Network of the Future” restructuring program to close or automate 200 facilities. Last year alone, the company cut 48,000 jobs and closed 93 facilities and has pledged to eliminate another 30,000 this year.

A statement by the independent UPS Workers Rank-

and-File Committee from early 2024 warned that the new technology has the potential to replace up to 80 percent of warehouse labor. One hub in Louisville, Kentucky, which opened as early as 2023, handles 350,000 packages a day using 3,000 robots and only 200 humans.

In a period where all of corporate America is carrying out mass layoffs—last year alone, more than 1.2 million cuts were announced—UPS leads all private employers in total layoffs. Elsewhere, Oracle has announced plans to cut up to 30,000 jobs, and Amazon has eliminated 30,000 corporate jobs since October.

The contract contained no protections against technology-related job cuts—only requiring management give the Teamsters advance notice—and the union officialdom made no issue of it during talks, in spite of the well advanced character of the plans. Over the summer, the Teamsters apparatus rolled out an empty “strike-ready” campaign, supported by wide layers of the Democratic Socialists of America and other pseudo-left groups, designed to position the contract as the product of a “credible strike threat.”

The same playbook was used recently at First Student and DHL, where the Teamsters shut down strikes at the last minute with deals workers had not seen. At First Student, a nationwide strike of 17,000 drivers was called off hours before it began. The union claimed a “historic” agreement but released no details. Workers were sent back to work without a vote or discussion.

At DHL, the union announced a deal for a national “minimum” then began to isolate workers with separate deals site by site. As at UPS, the bureaucracy’s concern was not worker’s jobs or conditions but its place at the table as layoffs and restructuring move forward.

The 7,500 driver buyouts is significant because the new contract requires UPS add that same number of full-time positions from part-time jobs. Even assuming this pledge is ever honored in any form, this effectively allows the company to offset its impact to their bottom line.

These mass layoffs and facility closures are part of the company's plan to pivot towards automation and downsizing, or the "Network of the Future," as UPS plans to close at least 200 facilities through 2028, anticipating savings of approximately \$3 billion.

The bureaucracy is not only in bed with management but with the corporate political establishment. O'Brien, a prominent Trump supporter, became notorious after his speech at the 2024 Republican National Convention . Since taking office, Trump has slashed over 300,000 federal jobs in key social and regulatory programs, using immigration raids as the tip of the spear for ripping up the rights of all workers.

UPS workers cannot defend their jobs or fight layoffs through appeals to the bureaucracy. It must be fought for outside of the bureaucracy's control. UPS workers should join the UPS Workers Rank-and-File Committee to organize the defense of jobs from below, uniting with workers at hubs across the country and with workers in other industries.



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