

# CHANGING

# THE UPS CONTRACT

an initiative led by *Teamsters Mobilize*

## Table of Contents

<a href="#">Economics</a>	2
<a href="#">Safety</a>	6
<a href="#">Gig-ification</a>	7
<a href="#">Divisions</a>	8

These changes are based on the thoughts, concerns, and resolutions that have been shared on various Teamster facebook groups, Teamster websites, as well as based on conversations and discussions with fellow brothers and sisters, and our analysis of the situation. This is by no means complete, there are most likely issues missing. But, this is where the contributions from the wider membership will be most useful. On the other hand, it will be quite a fight to get every issue listed on this document resolved if this contract is voted down. We hope to use this document as the first step in the process of being able to, eventually, refine and consolidate our demands based upon the most pressing issues that need to be addressed. But before we can do this, we need to capture all of the concerns that Teamsters have. This is the goal of the document.

Let's get organized and consolidate the issues we have into a solid proposal that can be disseminated far and wide for the sake of fighting for more.

Full tentative agreement document can be accessed at: [bit.ly/UPS-TA-2023](https://bit.ly/UPS-TA-2023)

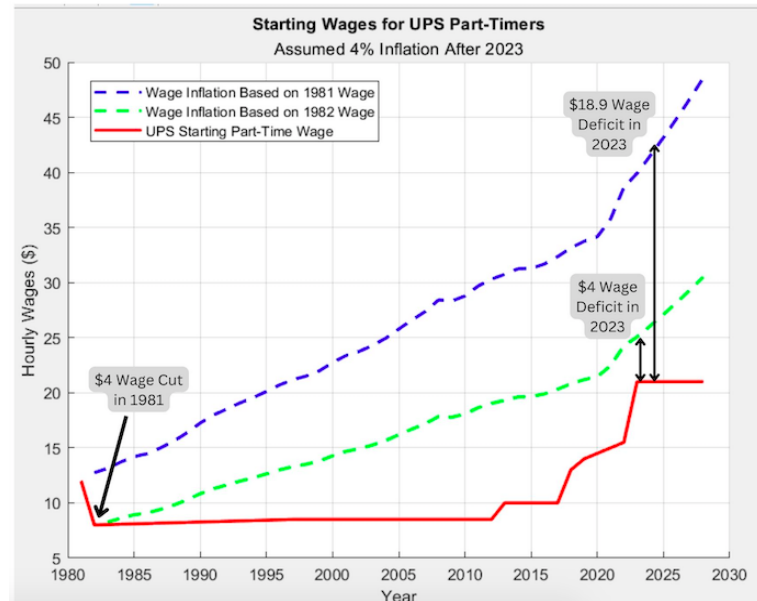


## Economics

### Part-time wages: Article 22, Section 5

**Point:** Pay-raise of \$2.75, and a base wage of \$21. Raises of \$7.50 throughout the life of the contract.

**Why it's an issue:** We fought hard for a base wage of \$25 because this would be our wages if they kept up with inflation since 1982, although these wages were also *based on a wage cut*. This may be a significant wage increase for some part-timers around the country, but this is still not a wage increase significant enough to secure their purchasing power in the face of the rising cost of living. Likewise, there has been a massive division between part-time and full-time wages, for the same inside warehouse work. In comparison, air drivers, part-time and full-time, receive the same wages and progression, despite these also being low as a whole.



**Resolution:** A base wage of \$25, which is a bare minimum ask.

### **Driver wages:**

**Point:** Wages do not keep up with inflation.

**Why it's an issue:** Example of a RPCD at top rate: \$38.44 of buying power in August 2020 equals \$45.23 in July 2023, which in 5 years equals \$53.72 (using an inflation rate of 3.5%, arguably shy of inflation rates in the future).

Inflation adjusted wage	vs	Proposed wage	Total lost wages for a year
2023-2024			
\$45.23		\$44.25	\$2,522
2024-2025			
\$46.81		\$45.00	\$4,659
2025-2026			
\$48.45		\$45.75	\$7,181
2026-2027			
\$50.15		\$46.75	\$8,752
2027-2028			
\$51.90		\$49.00	\$7,465

**Total lost wages for 5 year deal=\$30,579**

**Resolution:** Provide a top rate of \$51.90, at minimum, with raises spread evenly across each year.

### **Backloaded raises / 4 Year Progression for RPCDs:**

**Point:** Currently to reach top-rate, it takes 4 years. On top of this, the raises are all backloaded.

**Why it's an issue:** Backloading the wages means that the real wage increases don't start to kick in until drivers reach their 3rd, and especially their 4th year. On top of this, there is **greater** backloading for drivers with less seniority: in short, more money later (in the fourth year for new RPCDs without seniority). Additionally, keeping drivers in the 4 year progression means their wages will stay lower for longer.

**Resolution:** Having an even distribution of wage increases across the progression. And on top of this, ideally a 2-year progression, but at least a year shaved off this progression.

### **MRA language: Article 22**

**Point:** There are no current protections on extending Market Rate Adjustment wage increases to all inside workers, including those with seniority. Nor are there protections on maintaining MRA after being given to workers.

**Why it's an issue:** What we saw in many buildings was an MRA added to wages to attract workers during peak, putting new hires at wages equal to workers with 10+ years of service. And with little notice,

the company is just as easily able to take this MRA raise away, causing workers who benefited to endure a pay cut. New hires in particular are never told upon being hired that this is a semi-permanent wage raise.

**Resolution:** MRAs should be applied equally across a given local. Any MRA, once implemented, should be irrevocable (they can't take it away). GWIs and COLAs should be added on top of any RMA that is in place.

### **Seniority catch-up raises: Article 21, Section 5**

**Point:** Catch-up raises are one-time wage increases of \$0.50 for workers with 5-10 years of seniority, \$1.00 for 10-15 years of seniority, and the highest raise is \$1.50, for those who have over 15 years of seniority.

**Why it's an issue:** This is an insult to those with seniority.

**Resolution:** 75-cent catch-up raises for each year of service on top of the \$25 base wage. [example: 20 years x \$0.75 = \$15 + \$25 base wage = \$40]

### **COLA: Article 33**

**Point:** The first COLA allowance is on August 1, 2024.

**Why it's an issue:** We are missing COLA for our wages for the year August 1, 2023–August 1, 2024. This would eat into the front-loaded \$2.75 raise we get for the year after the contract is ratified.

**Resolution:** COLA allowance should be effective August 1, 2023 and every August 1 during the life of the agreement.

### **COLA in pension: Article 34**

**Point:** There is no provision in Article 34 for adjusting the pension payout for inflation after retirement.

**Why it's an issue:** Once a worker retires, their monthly pension benefit is fixed and never gets adjusted for inflation. For people who are living on this pension income for decades after they stop working for the company, their real allowance gets steadily eaten up by inflation.

**Resolution:** Include language that increases pension benefits after retirement to reflect increased cost of living, in the same way we get COLA adjustments to our wages due to inflation.

### **UPS/IBT Pension (Contributions): Article 34**

**Point:** Under Article 34, Section 1(a)(v)(2), pension funds that are not insolvent will forgo half their monthly contribution increases in order to shore up those which are.

**Why it's an issue:** IBT has officially acknowledged that this was a concession used to pay for wage increases in the rest of the contract. Normalizing such a practice will pose a long-term threat to the

# Safety

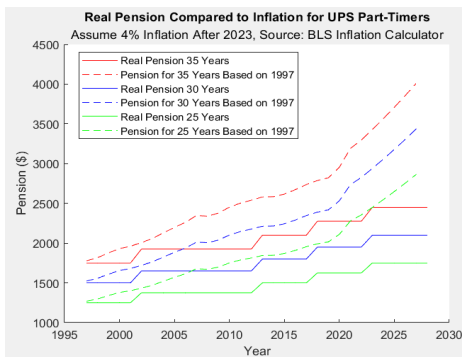
viability of our pension plans – we know that there is already a historical legacy of failing pension funds under the Teamsters that results from a combination of pro-corporate government policy and corruption and mismanagement on the part of Teamsters officials.

**Resolution:** Contribute the requisite amount to pension funds under a funding improvement plan or rehabilitation plan that requires contribution rate increases without cutting contributions to solvent funds.

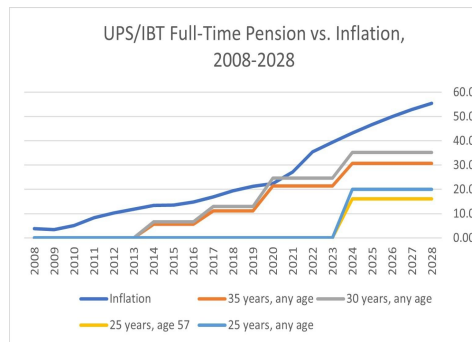
## UPS/IBT Pension (Payout): Article 34

**Point:** \$0.50 an hour for full-time workers, and for part-time workers payments “not to exceed \$0.50” an hour.

**Why it's an issue:** These pension “raises” will be split between pension payouts and paying for TeamCare, having less go to the pension than estimated. On top of this, these payments are not calculated to keep up with inflation.



**Resolution:** Pension payments that keep up with inflation, for all years of service.



## A/C: Article 18, Section 14

**Point:** Weak language that only enforces the company to “make reasonable efforts to” prioritize Zone 1 areas of the country (highest temperature records), but that in their decision making of where cars are allocated they can make judgements based off of any other business related factors as well. A/C will only apply to cars purchased after January 1<sup>st</sup>, 2024 and only makes for the minimum amount of package cars fitted with A/C to be 28,000 (less than ~1/4 of the current fleet).

**Why it's an issue:** If the drivers that have died from heat exhaustion on the job have not sent a drastic and glaring enough message: it's crucial that A/C is secured in all package cars. Especially where temperatures are high all year around, but also in all parts of the country that experience high heat conditions for some portion of the year.

**Resolution:** The language needs to secure that the new fleet ordered and that hits the streets is without question sent to Zone 1 first (supposing these are the hottest states based off of credible data, we have yet to see how Zone 1 has been classified). Screw waiting on when the company wants to roll in the cars, A/C should be retrofitted to pre-existing cars. At the very least, the same number of cars that will be purchased by 2028 should be equipped with A/Cs amongst the current fleet. At the most, all cars should be equipped with A/Cs.

## Heat injury & illness prevention: Article 27

**Point:** A number of the new provisions listed in Article 27 are meaningless if workers don't have time to use them while on shift: water fountains, ice machines, shade / cool zones.

**Why it's an issue:** UPS workers face literally deadly conditions on a day-to-day basis, especially in Southern states. This threat to our lives will only continue to intensify as global warming continues.

**Resolution:** It is now codified in state law in CA, OR, and WA that workers get additional rest periods when the heat index exceeds a certain threshold. A similar policy should be implemented in the national contract.

## Technology: Article 6, Section 6

**Point:** The first paragraph in this section says you can't be disciplined “solely upon information received from GPS, telematics, or any other successor system”, but the next paragraph says you can be disciplined if you have been given a warning. This is contradictory. Driver-facing sensors, AKA “nanny cams” are now explicitly allowed. These devices have been beta-tested in certain regions and successfully grieved for causing severe safety hazards to drivers while they operate their vehicles because they beep loudly whenever a deviation is detected. The language states that UPS “can't use them during the discipline

process”. But where are the teeth in this? There will be no supposed surveillance, but the cameras will be left in the cars.

**Why it's an issue:** Contradictory language will be exploited by the company. Likewise, if the cameras are left in the cars, we are simply trusting that the company will not use these for surveillance. Often, the company prefers to take the bullet of paying for a grievance in order to violate the contract and discipline our members.

**Resolution:** At the most, remove the cameras, remove the language sanctioning the nanny cams, and strengthen the language to ensure there is no loophole to exploit and use against our members. At the least, remove the contradictory language and secure that members can absolutely, under no circumstances, be disciplined.

### **Cellphones not concretely allowed in warehouses: Article 18, Section 8.2**

**Point:** The use of handheld devices by non-driving employees, in accordance with the facility's current security practice.

**Why it's an issue:** This is not a blanket “you can bring in cell phones” no matter what.

**Resolution:** Specify ‘hand-held devices’ to include cell phones, as well as other devices if necessary.

## **Gig-ification**

### **Allowing 7-day-a-week operations: Article 26, Section 1e**

**Point:** The company can implement a 7-day operation schedule with 45 days notice.

**Why it's an issue:** The company wants a more flexible workforce, and to shift to 7-day operations in order to compete with Amazon, which has pioneered working people 10+ hours a day every day in the week.

**Resolution:** Remove this language. There should be no ability for UPS to implement 7-day operation.

### **PVDs not eliminated but expanded to include part-timers: Article 26, Section 1**

**Point:** Teamsters United previously said that removing PVDs was a strike issue, now this classification has been fully codified into the contract and has been expanded to include part-timers.

**Why it's an issue:** The off-the-street “Seasonal Support Drivers” (SSDs), as they have been renamed, “will be part-time seasonal hires W-2 employees and Union members in accordance with Article 3 Section 2.” BUT: the “season” for these drivers specifically is Nov 15 - Dec 26. So none of these people will reach seniority in that time, because peak season does not count toward seniority! They also only get a 3-hour daily work guarantee. Even if you consider this to be a part-time position, this creates a new tier. For part-timers who bid these jobs, they still have to “complete their inside job in addition to performing seasonal support work.” This means that, for example, part-timers could be forced to work an inside shift for 8 hours and then have to work an 8 hour driving shift. This is a recipe for chaos and frustration that gives the company even more license to run its operation in a dangerously ad-hoc fashion.

**Resolution:** Eliminate PVDs / SSDs from the contract.

## **Divisions**

### **Forced 6th punch and overtime language: Article 37**

**Point:** Only RPCDs are exempt from the forced 6th punch. Improvements to the forced overtime system also only apply to drivers and lack real working solutions for violations.

**Why it's an issue:** No one should be forced to work a 6th day or work excessive hours at the will of UPS. When UPS violates the forced overtime provisions, there is no relation between the severity of the violation and the amount of penalty pay.

**Resolution:** Expand to include beyond RPCDs, protect all other classifications from this. For all hours worked over 9.5 in a workday, require either automatic quadruple time penalty pay for each hour worked over 9.5, or an additional option day per violation.

### **Two-tier system in part-time wages: Article 21**

**Point:** Those of us pre-2023 contract will still have greater wage increases (\$7.50) than the workers that come in this year, who will only get \$2 for the next 5 years. \$5.50 shy of what the rest of us will be getting.

**Why it's an issue:** Workers with less than 5 years seniority are already vastly overrepresented in the UPS part-time workforce, because of the company’s intentional “churn-and-burn” practices. Not only will the large discrepancy in wages between pre-contract and post-contract part-timers exacerbate this dynamic, it will also serve as an incentive for the company to fire or push out employees with more years under their belts. This TA sacrifices UPS workers of the future in order to bribe us now. It's unacceptable and a clear concession.

**Resolution:** Compensation for years of service (YOS) should be reflected in 75-cents/YOS longevity raises up-front. After which, all part-timers should receive the same general wage increases (GWIs). In

areas with a market rate adjustment in place, starting wages for part-timers hired after August 1, 2023 should include the \$2.75 raise on top of the current MRA baseline.

#### **Air workers do the same work without a “guarantee”: Article 40**

**Point:** There was no part-timer shift guarantee for air hubs and still is not. The language is that they provide a 3-hour guarantee “wherever possible”. These air workers still don’t get double time holiday pay, can be forced to work on a holiday, and don’t have a uniform pay rate for 22.3 combo drivers (for air combos they get paid less while on the clock for inside work).

**Why it's an issue:** The “wins” being championed on this article really only constitute a small movement from the previous language, and only benefit drivers and a few skilled worker positions. The language “wherever possible” allows the company to deny workers the 3-hour guarantee. Which is ridiculous.

**Resolution:** At the very least, the removal of this preamble: “the following Sections shall supersede language on the same subjects in the Supplements, Riders and Addenda, unless specifically stated otherwise in this Article.” At the most, the 3-hour guaranteed secured for air-workers, along with all other divisions to be eliminated.

#### **Two-tier system for drivers scheduling: Article 11**

**Point:** In the 2018 contract, there was a 25% limit on how many people could be on the T-S schedule. That is now gone.

All previous 22.4 drivers will be forced to work at Tuesday-Saturday schedule, with a minor exception that if Monday-Friday opens up at a given hub it can be given to these drivers, but bidding option goes to all “junior” RPCD drivers (post August 1, 2019), first. (Article 11: Weekend Work Schedules, Section 1: Process of Reclassifying).

**Why it's an issue:** Even after the elimination of the 22.4 classification, divisions amongst drivers are still being maintained on this basis.

**Resolution:** All package car drivers, irrespective of previous classification, should be able to bid for their schedule according to seniority alone. Or, at the very least, there should be a return to the 25% cap that has been lost from the previous contract.

#### **Stratified Driver Pensions under UPS/IBT Pension: Article 34**

**Point:** Those who meet the age/service requirements by 2028 get a much larger pension than those who don't.

**Why it's an issue:** For those retiring after 2028, the accrual would be larger for those retirees than those who are 30 or 35 and out.

**Resolution:** An accrual for all equal to the accrual of those retiring.