



June 21, 2018

Teamsters UPS National Negotiating Committee Reaches Settlement in Principle on National Master UPS Agreement

The National Negotiating Committee has agreed to a settlement in principle on the National Master UPS agreement, subject to the resolution of supplemental agreements and approval by UPS local unions. The term of the national agreement is set at five years, expiring on July 31, 2023.

Highlights from the economics in the agreement include:

- **Article 22 Part Time Employees:** The committee increased the number of full-time opportunities for the part-time members. The committee has also made significant improvements on the part-time wage structure and start rate. The current four-year wage progression (\$10.00 to \$12.50 over four years) has been eliminated. Instead, there will be a start rate that increases significantly in each year of the contract, from \$13.00 on August 1, 2018, reaching \$15.50 on August 1, 2022. The two-tier wage structure has been eliminated as well; all part-time employees hired after August 1, 2018 will make the new higher start rate. The new General Wage Increases total \$4.15 over the five-year Agreement with no split wage increases. Existing part time employees will receive the General Wage Increases and make no less than the new start rate.
- **Article 34 Health & Welfare and Pension:** Protecting the health & welfare and pension was a top priority for the members. The committee has negotiated substantial increases to the employer contributions to the various benefit funds, and increased pension benefits under the part-time UPS Pension Plan and the full-time UPS/IBT Pension Plan.
- **Article 41 Full-Time Employees:** Significant increases to the full-time progression rates and general wage increases have been tentatively agreed to, totaling \$4.15 over the life of the Agreement. A new classification of full-time combination driver starting at \$20.50 and reaching a top rate of \$34.79 by August 1, 2022. This provision will help to resolve several membership concerns, including Saturday and Sunday delivery, excessive forced overtime, time off, create additional high paying, full-time opportunities for part-time employees and provide thousands of additional contributors to our Teamster pension funds.

- Article 43 Premium Services: There is a significant increase to the new hire progression for sleeper teams in Article 43. Mileage rates that far surpass any rates in the industry have been tentatively agreed to. In addition, the National Committee has successfully negotiated a provision to pull many loads that are currently moved by the railroad off of the rails and move those loads to newly created sleeper teams, resulting in at least 2000 new full-time jobs for the members. Sleeper team jobs are the highest paying jobs in the bargaining unit. This will also open up more full-time opportunities for part-time employees as full-time employees fill these jobs, creating full-time openings

There is a meeting scheduled for July 9–12 for any Supplemental Agreements to the NMA that remain unresolved. As of this update there are several supplements that need to be finalized.

Once these Supplements are resolved there will be a meeting of all local unions known as the “two-person committee” (two officers and/or agents from each Local Union representing UPS) to review the tentative agreement.

The specific language on all proposed changes to the NMA and the supplements will then be sent to the membership for review and vote. Voting will be by electronic balloting, using the same procedure as the strike authorization vote. Members should also take the time to review the previous nine weekly updates for information on non-economic language improvements.

“I am confident that once the membership has reviewed and understood the changes, they will see that this agreement is among the very best ever negotiated for UPS members,” said Denis Taylor, co-chairman of the Teamsters UPS National Negotiating committee. “I realize that the membership is anxious to see the improvements, but as I explained at the beginning of this process, the specifics must be held until the Supplements have been settled and the entire proposed contract has been reviewed by the two-person committee. There will be ample time for the members to review and understand the proposed agreement prior to voting. This is the process that has always been followed and I ask the members to be patient as we work to bring them the best possible contract. On behalf of the entire National Negotiating Committee, I also remind the membership, once again, that they should not rely on the misinformation that is circulating on the Internet. The groups that are generating that misinformation do not have your best interests in mind.”

UPS Freight negotiations will continue in Minneapolis, July 9-12, with economics and subcontracting as the main topics.

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