



UPS Contract *Update*

July 6, 2018

Teamsters Release UPS National Agreement in Principal, Highlights

The Teamsters National UPS Negotiating Committee has released the National Agreement in Principal and highlights of the agreement. The highlights are available in this update and the agreement is available at the UPS Rising app, and ibt.io/agreement

“The proposed contract provides all our UPS members—full-time and part-time workers—with tremendous gains in wages, benefits and working conditions for years to come,” said Denis Taylor, Director of the Teamsters Package Division and Co-Chairman of the Teamsters Negotiating Committee. “We are releasing the proposed contract and highlights now so that our members have the latest and most accurate information.”

At press time, union negotiators are meeting to finalize the supplemental agreements. We have agreed to a contract extension that allows the leaders of local unions that represent UPS members to



review the proposed national contract and supplements. Upon the leaders’ approval, members will then have the opportunity to vote electronically to ratify the National Agreement and their supplements.

“We will continue to keep our members informed as the process

moves forward,” Taylor said. “We appreciate our members continued input and support.

We look forward to wrapping up these long, challenging negotiations so that our members will win the security they need and deserve for themselves and for their families.”

To view the entire proposed national agreement, go to: ibt.io/agreement



HIGHLIGHTS – UPS NATIONAL AGREEMENT IN PRINCIPAL

The following are highlights of contract improvements contained in the UPS National Agreement in Principal for 2018 – 2023 – a five-year agreement. After each article and section notation is a summary of the proposed change.

- **ARTICLE 3 SECTION 7:** Supervisors working three (3) times in a nine (9) month period – Grievant gets triple (3x) time penalty pay.
- **ARTICLE 6 SECTION 4:** Improved protections from technological changes. UPS must review with the union any proposed changes at least six (6) months prior to implementation. Examples of changes include: drones, driverless vehicles and platooning of tractor-trailers.
- **ARTICLE 15: MILITARY LEAVE.** UPS employees will be able to transfer in the event that their spouse is in the military and transfers to a new area. The UPS employee cannot fill an opening that an existing employee at the new facility has a right to fill. Seniority will end-tail.

PART-TIME EMPLOYEES:

- **ARTICLE 22:** UPS must create 5,000 new full-time jobs during the agreement.
- The part-time start rate will increase from \$10.00 to \$13.00 and the start rate will increase each year as follows:

NEW START RATE AS OF 8/1/18: \$13.00

8/1/19:	\$14.00
8/1/20	\$14.50
8/1/21	\$15.00
8/1/22	\$15.50

Part-time employees currently earning less than \$13.00 per hour will receive an increase to at least \$13.00 per hour on August 1, 2018. If the General Wage Increase (.70) added to the employee's current rate exceeds \$13.00, the employee receives the higher wage.

ARTICLE 34: Enhanced part-time pension under UPS Pension Plan

- 35 years and out, any age = \$2,275
- 30 years and out, any age = \$1,950
- 25 years and age 60 = \$1,625
- 25 years and out, any age = \$1,325

- Insurance will be provided to part-time employees and their spouses/dependents on the payroll or hired after August 1, 2018 after nine (9) months employment, down from one (1) year in the current agreement.

General Wage Increase for all part-time workers:

- August 1, 2018: .70
- August 1, 2019: .75
- August 1, 2020: .80
- August 1, 2021: .90
- August 1, 2022: 1.00

ARTICLE 22.4: COMBINATION DRIVERS

- Guarantees and protections for existing drivers and routes.
- No layoff clause for regular package car drivers.
- Five (5) consecutive days/Eight (8) hour guarantee.
- Current drivers won't be regularly scheduled to work weekends after an 18-month transition period.
- Limited number of 22.4s. A maximum of 25% of the total regular driver work force. For every one (1) 22.4 position added, UPS must add three (3) regular drivers.
- Part-time cover/utility drivers who bid 22.4 jobs will enjoy any supplemental progression credit or wage protection that exists for regular package car drivers.

The start rate of \$20.50 will progress to a top rate of \$31.34 per hour as of August 1, 2018.

The top rate will increase each year to \$34.79 per hour on August 1, 2022.

ARTICLE 26:

- Section 1: Regular feeder runs protected from subcontractors.
- No package car driver will be forced to use his or her personal vehicle to deliver.
- Section 4: Additional restrictions placed on SurePost.
- Section 5: Procedure in place to offer down and force up when it becomes necessary to run a 70-hour work week during peak or during emergency conditions that disrupt service. A driver must have eight (8) hours available that day to work over 60 hours. Package drivers paid at two (2) times the hourly rate when working over 60 hours.

ARTICLE 26: NEW HIGH PAYING SLEEPER TEAM JOBS

- Section 6: A minimum of 2,000 sleeper team jobs will be created by taking work off the railroad. These jobs will pay the full mileage rate.
- The mileage rates increase as follows:
 - On August 1, 2018: Single: .8442; Double: .8626; Triple: .8810
 - On August 1, 2019: Single: .08613; Double: .8800 Triple: .8988
 - On August 1, 2020: Single: .8796; Double: .8987; Triple: .9197
 - On August 1, 2021: Single: .9001; Double: .9196; Triple: .9393
 - On August 1, 2022: Single: .9229; Double: .9429; Triple: .9631

ARTICLE 34: HEALTH & WELFARE & PENSION

- Contributions of \$5.00 per hour over the life of the agreement, \$1.00 per year
- Enhanced benefits for about 30,000 former C-6 (now U-2) participants in dental, life insurance, and short-term disability.
- Full-time service pension increased \$400 per month to \$4,300 per month.

ARTICLE 37

- Section 1 (a): Stronger grievance enforcement for harassment with a sitting arbitrator and monetary penalties of up to three (3) times the employees daily guarantee. The sitting arbitrator will prevent UPS from delaying a deadlocked grievance down the road while going through the normal arbitration, eliminating a very lengthy process.
- Monetary penalty was the number one member proposal on this issue. The arbitrator makes that penalty achievable.
- Section 1 (c): New procedure makes it easier to get on or off the overtime (9.5) list. The union will control the process.
- Two five (5) month periods for getting on the list

through the union, in addition to getting on or off the list at any time in between with one week’s notice to UPS.

- In buildings that utilize 22.4 combination drivers, all regular package car drivers will be eligible for 9.5 protection regardless of seniority or route assignment.

ARTICLE 41: WAGES

General Wage Increase:

- August 1, 2018: .70
- August 1, 2019: .75
- August 1, 2020: .80
- August 1, 2021: .90
- August 1, 2022: 1.00

A total \$4.15 cent increase as of 8/1/22.

No split wage increases.

Increased progression rates. Many full-time employees in progression will get more than \$3.00 per hour increase on August 1, 2018.

The top rate will increase each year to just over \$40.00 per hour on August 1, 2022.

Improved pay and progression for mechanics.

ARTICLE 43: PREMIUM SERVICES

- Enhanced pay and progression for mileage drivers. As noted under Article 26 (new sleeper team jobs) mileage rates increase over the life of the agreement.

Additionally, the new mileage progression increases significantly for those drivers in progression as follows:

	Single	Double	Triple
Start	.5816	.5939	.6062
Twelve (12) Months	.6203	.6335	.6466
Twenty-Four (24) Months	.6591	.6731	.6871
Thirty-Six (36) Months	.6979	.7127	.7275

Forty-Eight (48) Months TOP RATE

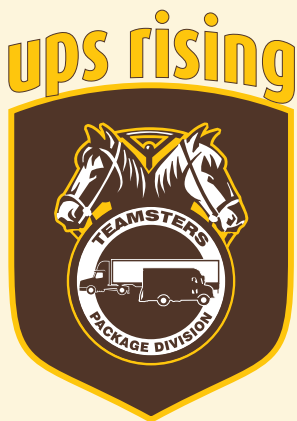
Mileage paid drivers in progression on August 1, 2018 shall be slotted into the above progression.



Teamsters Package Division

25 Louisiana Ave., N.W.
Washington, D.C. 20001

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