



# Make UPS Deliver.org

## Summary of Economics in the Proposed Contract

PLEASE POST & DISTRIBUTE—Oct. 17, 2007

**T**he proposed contract gives UPS the top three items on its wish list: an early agreement, a company pension plan in the Central States, and an end to the 10,000 new full-time jobs—as well as numerous other concessions on wages, benefits and contract language.

It is up to UPS Teamsters to evaluate what we got in return for these givebacks and whether UPS has really put its best offer on the table—ten months before the current contract expires. This contract offer will not go into effect unless it is approved by the membership. Review it carefully. Return your ballot by Nov. 15. Decide for yourself if we should accept this offer or Vote “No” to send our negotiators back to the table to bargain more improvements.

<b>Wages (Full-Time)</b>	<ul style="list-style-type: none"> <li>■ Annual increases of 70¢-75¢-75¢-85¢-95¢. Half of each annual increase will be delayed until Feb. 1 of the next year, reducing the value of these raises.</li> <li>■ The overall wage and benefit package is a lower percentage increase than the last contract, 4.6% to 4.4%—and the wage increases are smaller. Our wage increase this August was \$1. Next August, it would be 35¢.</li> <li>■ Longer wage progression. Three years for new full-timers to reach top pay—including combo jobs.</li> </ul>
<b>Wages (Part-Time)</b>	<ul style="list-style-type: none"> <li>■ Part-time starting wage frozen at \$8.50 until 2013. 50¢ increase in progression rates—a token amount.</li> <li>■ Part-timers get the same wage increases as full-timers, with half of each raise delayed six months to Feb. Offer eliminates the \$1 in extra increases that part-timers got in the current contract to compensate for the huge gap between part-time and full-time pay.</li> </ul>
<b>Wages (Combo)</b>	<ul style="list-style-type: none"> <li>■ Combo workers who have completed the progression will get annual increases of 70¢-75¢-75¢-85¢-95¢ (divided between Aug. and Feb.).</li> <li>■ Combos who deliver air will continue to receive a substandard, two-tier wage.</li> <li>■ Combo pay will remain substandard to full-time pay through 2013. No catch-up increases to close the gap between combo and other full-time pay.</li> </ul>
<b>Health &amp; Welfare</b>	<ul style="list-style-type: none"> <li>■ UPS pays 35¢ more each year toward full-time health benefits. Healthcare benefits are not contractually protected from cuts—except in the West.</li> <li>■ The Central States H&amp;W Fund gets an extra 20¢ (from pension money) the first year, and will lower the cost of retiree healthcare to \$200/month for a retiree and \$400 for a couple.</li> <li>■ Part-timers are hit with huge concessions. Language cut that guarantees many part-timers the same medical benefits as full-timers. UPS will be able to cut part-time medical benefits in the future. New part-timers get no healthcare for the first year (18 months for family coverage).</li> </ul>
<b>Pension</b>	<ul style="list-style-type: none"> <li>■ UPS achieved its number one goal: to take over the pension in the Central States. The proposed new UPS plan would pay lower accruals than the Teamsters Central States plan. (See separate bulletin at <a href="http://www.MakeUPSDeliver.org">www.MakeUPSDeliver.org</a> for details)</li> <li>■ Pension plans will get 65¢ per year for full-timers in most cases.</li> <li>■ Up to 35¢ per year can be diverted from wages to fund pensions or health and welfare.</li> <li>■ For part-timers in the company plan accrual goes from \$55 per year to \$60 per year (for future years only), an improvement for those who stay 25 or more years in part-time.</li> </ul>

The full text of the contract, and more informational bulletins, are online at [www.makeupsdeliver.org](http://www.makeupsdeliver.org).



# Make UPS Deliver.org

## Summary of Key Language in the Proposed Contract

PLEASE POST & DISTRIBUTE—Oct. 17, 2007

**T**he proposed contract gives UPS the top three items on its wish list: an early agreement, a company pension plan in the Central States, and an end to the 10,000 new full-time jobs—as well as numerous other concessions on wages, benefits and contract language.

It is up to UPS Teamsters to evaluate what we got in return for these givebacks and whether UPS has really put its best offer on the table—ten months before the current contract expires. This contract offer will not go into effect unless it is approved by the membership. Review it carefully. Return your ballot by Nov. 15. Decide for yourself if we should accept this offer or Vote “No” to send our negotiators back to the table to bargain more improvements.

<b>Full-Time Jobs</b>	<ul style="list-style-type: none"> <li>■ The proposed deal would create zero new full-time combo jobs—a central victory of our 1997 strike. The 1997 and 2002 contracts created 20,000 combo jobs and 40,000 other full-time jobs.</li> </ul>
<b>Excessive Overtime</b>	<ul style="list-style-type: none"> <li>■ New language in Article 37 increases the penalty UPS must pay for continually working a driver more than 9.5 hours from double time to triple time. In exchange, some drivers will lose their right to file 9.5 grievances for 5 months at a time.</li> <li>■ Two five-month periods “beginning on Jan. 1 and June 1 of each year” would be established. Drivers would have to “opt-in” or “opt-out” of the 9.5 language for the entire five month period by signing a form. Drivers who opt out “will have no right to file a grievance alleging excessive overtime.”</li> <li>■ The 9.5 Committee can create new rules to balance drivers’ need to avoid excessive overtime with “the Employer’s needs to protect the integrity of its operations.”</li> </ul>
<b>Relief of Overtime</b>	<ul style="list-style-type: none"> <li>■ Article 37 establishes two-hour penalty pay at straight time when the company violates a driver’s right to Relief of Overtime on a particular day—subject to loopholes (see below).</li> <li>■ Drivers must now submit their Relief of Overtime request five (5) days in advance instead of the day before.</li> <li>■ UPS will owe no penalty pay if the driver could “reasonably” have completed the dispatch within 8 hours. Even then, UPS will not have to pay any penalty unless the driver works more than 8.5 hours for reasons that are not “outside the company’s control.”</li> </ul>
<b>Subcontracting</b>	<ul style="list-style-type: none"> <li>■ A Memorandum of Understanding states that UPS will not subcontract feeder work to outside trucking contractors “solely” because it is less expensive. This is the only new language on subcontracting. Many UPS Teamsters are counting on the contract to include tough new restrictions on all subcontracting—including diverting our work to UPS Freight.</li> </ul>
<b>Supervisors Working</b>	<ul style="list-style-type: none"> <li>■ Article 3 increases the penalty for supervisors working from time-and-a-half to double time where the language is enforced. The article is subject to a new “Acts of God” exception.</li> </ul>
<b>New Technology</b>	<ul style="list-style-type: none"> <li>■ The new language in Article 6 that is supposed to protect drivers from discipline based on GPS and other new technology only protects against “termination” on a “first offense.” Even then, the language makes an exception for “dishonesty.”</li> </ul>

This summary deals with changes in the national agreement. Members also need to consult their supplement and rider. The full text of the contract, and more informational bulletins, are online at [www.makeupsdeliver.org](http://www.makeupsdeliver.org).