



# Make UPS Deliver .org

## Summary of Key Changes in Proposed Contract

The International Union has put out selective contract "highlights." You deserve the full story. Get detailed analysis and read the entire tentative agreement at [www.TDU.org](http://www.TDU.org)

### Healthcare

- Ken Hall promised Teamsters would not pay for their healthcare, but 140,000 Teamsters including all part-timers, will pay much higher out-of-pocket costs as part of the move out of the company health plan and into inferior coverage through the Central States enhanced C-6 plan. The family deductible goes from \$0 to \$400 per year out of pocket. Rx costs are much higher, as are lab tests, MRIs, ER visits and more. There are restrictions on what providers you can use. Dental coverage is limited.
- Members currently covered by Central States are not guaranteed the enhanced C-6 plan. Without additional changes, they will continue to receive the same benefits they have now which are inferior to the enhanced C-6 plan that other UPS Teamsters will get.
- Teamsters in some Western locals and in N.J. Local 177 have six months to find an alternative plan at the same cost as Central States (which costs less than members' current benefits). This alternative plan does not have to match members' current benefits; it only has to match Central States.
- For more details on who is affected and what the benefits are, read the FAQs at [www.TDU.org](http://www.TDU.org)

### Retiree Healthcare

- Members now in the company plan will face larger payments for retiree healthcare. Instead of paying \$50/month to cover a retiree and spouse, it will go up to \$100, then \$200, and \$300/month in the third year of the contract (\$150 for a retiree alone).
- The Central States Plan currently does not offer family coverage to retirees. The Memorandum of Understanding is silent on this. It states only an individual rate and retiree-plus. Under the current Central States plan, retiree-plus covers only spouses and not children.
- Current retirees who are in the company plan will continue to get coverage through that plan at the increased rates.

### Full-Time Wages

- Annual increases of 70¢-70¢-70¢-80¢-\$1.00. Split raises in the last two years of the contract.
- The progression has been increased from three years to four years so new 22.3s and drivers will have to wait longer to reach top pay (after waiting years for a full-time job).
- The wage increases total \$3.90. Wage increases in the 2008 contract were \$4.00, which taking five years of inflation into account would now be \$4.40.

### Part-Time Wages

- Starting pay for part-timers is going up by \$1.50. But the \$1/hour raise after 90 days is eliminated in the proposed contract. So the real wage increase for part-timers is only 50 cents.
- Part-timers were promised an additional wage "bump" but the contract does not include any catch-up raises, just the regular annual wage increases.

### IBT-UPS Pension

*Covers nearly 50,000 Teamsters in the Central and Southern Regions and the Carolinas*

- The 30-and-out benefit will go from \$3,000 to \$3,200 in 2014 and to \$3,400 in 2017.
- The 25-and-out and 25-at-57 benefits are frozen at \$2,000 and \$2,500/month.
- The annual accrual, presently \$170, remains frozen for five years and will go up by \$5 in 2018.



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## Harassment and Full-Time Jobs in the Proposed Contract

Harassment is supposed to be the signature issue of this contract. What is the new language and will it protect UPS Teamsters for the next five years? Get more contract analysis at [www.TDU.org](http://www.TDU.org)

### Harassment

Article 37

The proposed contract is supposed to be a game-changer on harassment. But there are no new penalties for violations. The proposed contract has new language that says UPS “shall not retaliate against employees for exercising their rights.” But management already ignores the language that says “The Employer shall not in any way intimidate, harass, coerce or overly supervise any employee” and UPS “shall treat employees with dignity and respect at all times.” Why will management respect the harassment language—old or new—if there are no penalties for violating it?

### Excessive Overtime

Article 37

- Rules for getting on the 9.5 list remain pretty much the same with improvements for some cover drivers. A package driver who works more than 9.5 hours on three days in a work week should be put on the 9.5 Opt-In list effective the following week if they notify the manager and steward. A full-time cover driver has 9.5 rights if 1) he/she is assigned to cover a route for a full week or 2) he/she has four years of seniority as a full-time package driver.
- Other new 9.5 provisions will depend heavily on interpretation and enforcement, especially by the International Union. For example:
- If you are on the 9.5 list, UPS cannot assign excessive overtime on the two remaining days *if you can prove* they did it “in order to retaliate for opting on to the 9.5 list.”
- If a driver wins three paid 9.5 grievances in a five month period, the penalty is that the District Labor Manager and Center Manager have to meet with the driver and the Union.
- If a 9.5 grievance is deadlocked, the International Union can take the case to arbitration and ask for full-time job creation if “inadequate staffing” is causing the excessive overtime. This enforcement action can only be taken by the International Union.

### Technology & “Dishonesty”

Article 6

- UPS’s ability to fire an employee for “dishonesty” solely based on information from technology is largely unchanged. The current contract already says you cannot be fired based solely on information from technology unless you “intend to defraud the company.” The “intend to defraud” language is not new and it has not protected Teamsters from discharge.
- In a change, the new contract says you must commit an “intentional” act where you “intend to defraud the company.” If a driver makes an isolated mistake, the new language may help protect them from termination depending on enforcement in the grievance panels.
- Under new language UPS must have “direct observation or corroborating evidence” if you are fired based solely on information from technology *but NOT in cases of dishonesty*.

### Full-Time Jobs

Article 22.3

- The proposed contract will create just 2,350 new full-time jobs. The 1997 and 2002 contracts created 10,000 each.
- Five hundred jobs will be created in each of the first two contract years and 1,350 jobs in the third year of the contract.
- The contract does not include any language that would make UPS maintain 22.3 jobs in the locals where they are created. UPS can continue to play its full-time jobs shell game, cutting 22.3 jobs and claiming the jobs were moved to another local.