

International
Brotherhood of
Teamsters

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Memo

To: All UPS Local Unions

From: Denis J. Taylor, Director, Package Division

Date: June 29, 2018

Re: 22.4 Combination Driver Summary and Q&A

Attached is a UPS Contract Update related to the new classification, Full Time Combination Driver.

This information will be put in the mail to your members next week. It will also be posted on the UPS Rising app, UPSRising Facebook page and website later today. We wanted to make sure you reviewed this before the members in case you get questions.

In addition, we will be sending further contract information to local unions to be received on Tuesday, July 10.

There will be a conference call on July 10 for local unions at 3 p.m. (Eastern). The number is (800) 230-1074 and the name of the call is: “UPS Contract Conference Call”

Also on July 10, there will be two conference calls for UPS members at 6 p.m. (Eastern) and 9 p.m. (Eastern). Members need only join one call. The call-in number is (877) 229-8493, and access code is 111566.

Thank you.

ups rising



UPS Contract *Update*

June 29, 2018

New Combination Driver Jobs Protect Weekends for Package-Car Drivers, Address Issue of Forced Overtime, Create Full-Time Jobs

Since the settlement in principle was reached last week with UPS for the National UPS agreement, plans have been made for negotiations on the supplemental agreements. As stated in the previous contract update (June 21), the supplemental agreements must be resolved and approved by UPS local unions first. This week's update will focus on the new classification of Full-Time Combination Driver and further materials will be issued about other highlights of the settlement.

A new classification, Full-Time Combination Driver, will protect weekends for package-car drivers, will address the issues of excessive, forced overtime and will create thousands of new full-time job opportunities for part-time employees.

The new classification is referred to as "22.4 Combination Drivers" (Article 22, Section 4 new subsection B), similar to 22.3 combination jobs that already exist.

"Our members know that they work in a changing industry, driven by e-commerce and the 'Amazon effect,' where consumers want fast delivery and weekend delivery," said Denis Taylor, Director of the Teamsters Package Division and Co-Chairman of the Teamsters National UPS Negotiating Committee. "This new classification reflects this changing world while protecting our package-car drivers' weekends, creating more full-time jobs and addressing excessive overtime."

"We know how important weekends are for package-car drivers, to be able to attend their child's activity or go away for a couple of days, and we also know how excessive, forced overtime has created upheaval within families," Taylor said. "These new 22.4 Combination Driver jobs will address these important issues while also creating a new career position with the same excellent Teamster-negotiated benefits and a family wage."

Here are some questions and answers:

Q: How will regular package-car positions be protected under this new 22.4 Combination Driver classification?

A: *In the event that your building utilizes 22.4 Combination Drivers, current Package Drivers, referred to in the agreement as Regular Full-time Package Car Drivers (RPCD), will be protected from replacement by 22.4 Combination Drivers or any part-time cover driver as allowed in any Supplement, Rider or Addendum. If an RPCD leaves employment or bids to another classification, that job must be filled as an RPCD and continue to be covered under Article 41 Section 2. No RPCD can be laid off or displaced from their classification while any 22.4 Combination Drivers are working in the building.*



Q: How will package-car drivers' weekends be protected?

A: RPCDs will work a Monday through Friday shift. Our members made it clear that they were not interested in giving up time with their families. RPCDs that are working a Tuesday through Saturday shift now will be moved back to a Monday through Friday shift within 18 months. If the RPCD was hired recently, specifically for a Tuesday through Saturday shift, the company has a maximum of 24 months to move them to a Monday through Friday shift.

Q: Will there be limits on the new position?

A: The number of 22.4 Combination Drivers will not exceed 25 percent of the total number of RPCDs in your building. If the company needs additional drivers for Saturday or Sunday work, RPCDs will be offered first and forced last and will make the Supplemental overtime rate if applicable. If the Saturday and Sunday volume increases to the extent that RPCDs must consistently work those days, the union and UPS may adjust the 25 percent to avoid the RPCDs being required to work those days. RPCD openings will be filled under the Supplemental procedures; however, the "6 to 1" hiring ratio will NOT apply to RPCD openings. All RPCD openings will be filled by bargaining unit employees, not outside hires. This will provide additional full-time opportunities for part-time employees.

Q: How will this address excessive, forced overtime?

A: In any building that implements 22.4 Combination Drivers, all RPCDs will fall under the Article 37 Section 1 (c) "9.5" protection regardless of years of service or the route they hold. The newly created 22.4 Combination Driver jobs will not fall under the Article 37 "9.5" language. All other conditions in the NMUPS agreement and the Supplements, Riders and Addendum will apply.

Q: Why is this important to employees other than drivers?

A: This new classification of full-time employee will open up thousands of full-time opportunities for part-time employees, which is a top priority for those employees. These jobs come with full-time benefits. Also, in many smaller centers around the country, it is very difficult to create new 22.3 Inside/Inside jobs, as there are no back-to-back shifts.

Q: What other important information should I know?

A: Provisions in the Supplements that provide progression time and/or wage credits for a part-time cover driver who moves into an RPCD job will also apply to moving into a 22.4 Combination Driver job. Also, the start rate for 22.4 Combination Drivers will be \$20.50 and reach a top rate of \$34.79 by August 1, 2022. The top rate on August 1, 2018 will be \$31.34 and will increase each year in accordance with the General Wage Increases.

READ THE FACTS ABOUT THE COMBINATION DRIVERS

When UPS members were asked to provide the National Negotiating Committee with their requests for a new contract, the following items were most frequently raised from every Local Union:

- Reduce the number of hours package car drivers are required to work;
- Prevent the Company from forcing package car drivers to work weekends;
- Ensure that package car drivers can take more time off; and
- Protect our medical and pension plans.

The language negotiated to create new combination drivers addresses each of these issues. The Company can only use the new combination drivers at buildings where the Company delivers on Saturday or Sunday. Here is the actual contract language that you will find in *Article 22, Section 4* and the issues you told the Committee needed to be addressed.

Current Regular Package Car Drivers (RPCDs) will not be regularly required to work Saturday or Sunday

The Union and Company commit to protect existing RPCDs from being scheduled or forced to perform weekend delivery

work and increasing the number of full-time opportunities for part-time employees... It is the commitment of the parties that RPCDs work a Monday through Friday schedule.

All Current Regular Package Car Driver (RPCD) jobs in each building will be protected

The number of RPCDs working a Monday through Friday schedule in each building shall be verified and agreed to by each Local Union and the Company Labor Representative, as of August 1, 2018 and shall be protected jobs... The number of protected RPCD jobs in each building... shall be guaranteed from replacement by 22.4 combination drivers or from any part-time driver as allowed by any Supplement, Rider or Addendum... No RPCD shall be laid off or displaced from the classification while 22.4 combination drivers are working in the building.

The wage rates of current RPCDs working Tuesday through Saturday will be protected

Those RPCDs currently working Tuesday through Saturday shall be red circled by name and shall continue to be covered under Article 41, Section 2 [Full-time wage rates].

Note: Current Tuesday through Saturday RPCDs will be transitioned to a Monday through Friday schedule within eighteen (18) to twenty-four (24) months of ratification. They will receive all contractual wage increases.

The wages and minimum weekly hours of current RPCDs will be protected

RPCDs working a Monday through Friday schedule shall be guaranteed five (5) consecutive days of eight (8) consecutive hours per report and forty (40) straight time hours of straight time pay each week, if reporting each day as scheduled, as long as work is available.

The number of Combination Drivers will be capped and the Company will be required to create additional full-time jobs as the volume expands

The number of 22.4 combination drivers shall not exceed twenty-five (25%) of the total number of RPCDs in the building.

Note: In order to increase the number of combination drivers in a building above 25%, the Company will have to create three new full-time RPCDs for every new combination driver.

New full-time driver positions will be created that will be filled by part-time employees

In the event a protected RPCD position becomes available, it shall be filled in accordance with the Supplement, Rider or

Addendum, provided, however that no RPCD position shall be filled by outside hire unless the job remains unfilled after exhaustion of the applicable bidding procedure.

Note: Part-time employees who fill newly created full-time combination driver jobs have a path to become RPCDs; the Company cannot hire off the street to fill a protected job unless no current employee wants the position

The start rate for 22.4 Combination Drivers will be \$20.50 and reach a top rate of \$34.79 by August 1, 2022

22.4 combination drivers shall be paid in accordance with Article 41.4

Note: The top rate on August 1, 2018 will be \$31.34 and will increase each year in accordance with the General Wage Increases

Combination drivers shall be full-time and be guaranteed 8 hours pay/ 40 hours each week

All 22.4 combination drivers shall be guaranteed eight (8) consecutive hours of straight time per day, if reporting as scheduled. All 22.4 combination drivers shall work a five (5) consecutive day schedule...

The combination drivers will protect our Health and Pension Funds

As full-time employees, the combination drivers will receive full-time benefit coverage as provided under Article 34. Most of the work the combination drivers will perform is currently being done by part-time employees getting part-time benefits at a reduced wage rate. The creation of combination drivers will increase the number of participants in our health and pension plans and increase the amount of contributions the Company will be required to make. This new money will help solidify those plans that are doing well and help those that are struggling.

Additional full-time drivers will relieve the burden on RPCDs now forced to work excessive hours each day and week

Combination drivers will increase the staffing levels during the week. The Company has pledged to use these additional full-time drivers to even the dispatch so RPCDs will be able to get time off and reduce forced overtime.

To read the complete proposed Section 22.4 (b) language – go to: <http://ibt.io/22.4b>



UPS Contract *Update*

There will be a conference call on Tuesday, July 10 for UPS Teamsters to learn more about the proposed contract. The first call is at 6 p.m. (Eastern) and a second call is at 9 p.m. (Eastern). Members only need to join one call. The call-in number is (877) 229-8493, and access code is 111566.

Sign up for the UPSRising app to find the current UPS contract, and all UPS contract updates. Download the app by searching "UPS Rising" in the App Store or Google Play.

Visit the "UPS Rising" Facebook page to see the latest updates. Or visit www.upsrising.org to see all the UPS Rising news. Text "UPS" to 86466 to receive text message alerts (message and data rates apply).