# Freight Update Nov. 25, 2008

## YRC to Get Concessions?

The International Union has entered into L talks with Yellow Roadway (YRC) over wage concessions for some 40,000 Teamsters.

A deal could come soon. The union has set a meeting for officers from all affected locals on Dec. 3 in Scottsdale, Ariz.

On a Nov. 24 conference call with local officials, IBT President James Hoffa and Secretary-Treasurer Tom Keegel indicated that they are ready to give wage concessions, because union auditors agree that the company needs help to survive. They also indicated there will be no concessions on pension or health and welfare contributions.

Many freight Teamsters are not shocked to hear this news. We've seen YRC's stock price and credit rating plummet. But plenty of older freight Teamsters know of carriers who got concessions, then took the money and closed the company anyway. They're looking for getting some assurances concessions will work this time.

The final decision will be made by YRC Teamsters, because Article 12, Section 2 of the IBT Constitution requires a secret-ballot vote to amend the national contract.

Apparently any concession proposal will apply to all the NMFA units of YRC (including Holland and New Penn), but not Reddaway, which is under separate (and lesser) agreements.

#### Protections for Freight Teamsters

If concessions are necessary, our union should bargain protections for freight Teamsters.

There should be a "snap-back" clause that limits the duration of any concessions, gives the union the right to audit the books, and provides for an end or pay-back when the company returns to profitability.

The first person who should take concessions is CEO Bill Zollars, who has made more than \$40 million in the last ten years. There should be an "equality of sacrifice" component to any concessions. Violations of this principle should lead to cancellation of Teamster concessions.

In exchange for granting wage concessions, our union should also get stronger job protection against diverting freight via YRC Logistics or any other nonunion avenue.

#### A Plan to Succeed

If YRC Teamsters are going to be asked to sacrifice our wages, we have a right to know that these concessions are part

- ► Talks underway now.
- ► Local officials to meet Dec. 3
- ► Informational call Nov. 26

of a viable plan to maintain the company—not just money down the drain.

A \$1 per hour concession (and 2.5¢ per mile) would generate about \$100 million per year in savings to management. How would that money be used?

Concessions tend to spread. It's a safe bet that if YRC gets concessions, ABF will be knocking on the door. What is our union's plan for preventing the spread of givebacks?

#### Protecting Freight Teamsters

Freight Teamsters accepted the freight contract on the promise that concessions would make the carriers competitive. Now we will be asked for more givebacks before the contract books are even printed.

Neither YRC nor the Hoffa administration can be blamed for the worst economic crisis in decades. But our union leaders do need to be held accountable for having a plan to protect freight Teamsters if we are asked to give concessions.

### Conference Call on Concessions at YRC

Wednesday, Nov. 26, 6 pm Eastern

The Freight Committee of Teamsters for a Democratic Union will convene a short informational conference call for freight Teamsters.

The call will last for approximately 20 minutes and will cover: the corporation's request for concessions, our union's process for bargaining and ratifying any changes to the contract, and what protections can be negotiated for freight Teamsters

Wednesday, Nov. 26

6 pm Eastern / 5 pm Central / 3 pm Pacific **Call This Number to Dial-In: (712) 580-8020** 

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