

TEAMSTER PEN

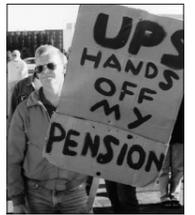
Strong pensions mean retirement security for working Teamsters—and Teamster Power for our union as a whole.

Throughout Teamster history, members have fought to build and protect strong Teamster pensions and defend them from employers—and sometimes our own union officials.

Today, union pensions are once again under attack. To defend our benefits in the future, we need to know our history.

Pensions & the 1997 UPS Strike

In contract negotiations, UPS demands to leave all Teamster pension plans and establish company control of members' benefits. Under the leadership of Ron Carey, Teamster members win a historic strike against UPS that defeats the company's pension demands and wins pension improvements for Teamster members.



Hoffa Hides Pension Cut Threat

Following the 9/11 attacks, many Teamster Pension Funds suffer serious stock market losses. A report prepared by William Saxbe in early 2002, the Special Council of the Central States Fund warns Hoffa that money is needed in upcoming national contracts or there will be cuts in Central States pensions. Hoffa keeps the report and the pension cut threat secret from the members.



Hoffa Establishes the Central States Fund

Jimmy Hoffa launches the Central States Pension Fund in 1955. Other Teamster funds are established around the same time, including the Western Conference of Teamsters

Pension Trust. Some other unions have already formed pension funds by this time; Hoffa is late to the game. But the Teamsters start multi-employer plans, that cannot be controlled by any single corporation. Multi-employer plans mean more union power, and more pension security for working Teamsters.



Local 804 Strike Wins 25-and-Out

Under the leadership of Ron Carey, Local 804 Teamsters strike UPS in 1974 and win 25-and-out and 30-and-out pension benefits. New Jersey Local 177 Teamsters also win

25-and-out benefits, setting a new bar for Teamster Pensions.

Hoffa Falls Short in Bargaining

Teamster members name pensions as the top issue in IBT bargaining surveys. But Hoffa fails to negotiate enough benefit contributions in the 2002-2003 national contracts to protect members' pensions. Hoffa falsely claims that the contracts "will insure that healthcare benefits are maintained and that pension fund trustees have the necessary funding to protect members' pensions." Members ratify the contracts based on these false promises.



Hoffa Jr. Promises 25-and-Out

In 1996, James P. Hoffa runs for General President. He criticizes pension benefits under Ron Carey and promises to deliver a "Real 25-and-out Pension" for every Teamster.

Feds Step in at Central States

In 1982, the fund trustees enter a consent decree with the federal government that prohibits the trustees from making any more loans, and requires them to hire independent managers to oversee investments. (Picture: Mobster Allen Dorfman was convicted along with IBT president Roy Williams of scamming the Central States Fund.)



Teamster Pensions Fall Behind

In the 1980s, other unions start to win 25-and 30-and-out pension benefits, but the Teamsters Union lags behind. Almost all Teamster pension plans have a minimum retirement age of 62. Members start to organize and push for early retirement benefits.



Teamsters Win Pension Improvements

In the late 1980s, TDU members and other Teamsters launch regional Pension Improvement Committees to win pension increases and early retirement benefits. In 1991 members elect Ron Carey in the first one-member, one-vote election for General President in Teamster history. Carey's victory is fueled in part by his role in winning early retirement pensions in Local 804.

1950s

1970s

1980s

1990s

2000-2005



Corruption in the Central States

The Central States Pension Fund is plagued by corruption and is turned into a slush fund for organized crime. Over a 20-year period beginning in 1957, the fund makes \$600 million in loans to people connected with organized crime, including notorious Vegas real estate deals gone bad, that cost the fund more than \$300 million in defaulted loans and loans made at sweetheart interest rates. Teamster president Roy Williams later testifies that he received cash payments from the mob every month for years, in exchange for casting his vote as a Central States trustee following the lead of mobster Bill Presser.

SION TIMELINE

Members Defeat Unfair Reemployment Rules

TDU and Teamster members form the Central States Pension Improvement Committee to fight for pension fairness. TDU and CSPIC defeat the worst of the fund's hated reemployment rules that suspended members' pensions when they took jobs in industries that had nothing to do with Teamster core industries.



Substandard Pensions at UPS Freight

In exchange for contract concessions at UPS, the Teamsters get the right to organize UPS Freight—but the contract keeps UPS Freight Teamsters out of union pension and health plans. UPS Freight Teamsters remain stuck in substandard company medical and retirement plans.

Central States Pension Cuts

The Central States eliminates 25- and 30-and-out going forward—and establishes penalties for retiring before age 62. This trend soon spreads to other funds.



Hoffa-Hall Promise to Protect Pensions from UPS

Ken Hall promises delegates at the 2006 Teamster Convention that the message after the UPS contract negotiations is that if employers try to come after Teamster pensions, they'll "get the sh*# kicked out of them by the Teamsters."



Wall Street Gambles—and Pension Funds Lose

In 2008 the housing bubble bursts and pension funds suffer serious stock market losses. The Central States Fund loses well over the \$6.1 billion UPS paid to pull out of the fund. UPS management dodges a bullet, but Teamster members at other employers do not. The explosion of pension obligations owed to Central States is the straw that breaks YRC's back.

2006-2010

2011-Future



TDU Exposes Pension Cut Cover Up

TDU obtains Central States documents that prove Hoffa knew the fund was discussing benefit cuts before the UPS, freight, and carhaul contracts were bargained. Hoffa told members that, "You can be certain that I would not have recommended any contract if we knew at the time we would be looking at reduced benefits down the road." But documents obtained by TDU prove that Hoffa knew about the potential cuts by May 3, 2002—months before the contracts were negotiated.

Pension Protection Act Passed

The Pension Protection Act is passed in 2006—establishing the Red, Yellow and Green Zones. TDU fights for and wins new rights for members to get financial and actuarial data from their pension funds. (Photo: Teamster reformers lobby for and win reforms to the Pension Protection Act that give members more rights to information about their pensions.)



Pension Concessions in Freight

A concessions deal negotiated by the Hoffa administration in July 2009 allows YRC to "temporarily" suspend company contributions to YRC Teamsters' pension funds—supposedly to be resumed in January 2011. They are not, and YRC Teamster pensions are kicked to the curb in the deal of September 2010. ABF workers reject wage concessions. ABF files lawsuit to try to win givebacks in the courts—while preparing for contract negotiations in 2013.



UPS Pulls Out of Central States

In early bargaining at UPS, Hoffa and Hall give in to company demands and let UPS pull out of the Central States Fund and establish a UPS pension plan for 44,000 Teamsters in the Central and Southern regions. The new company plan provides the lowest pension benefits among UPS Teamsters—but takes them out of the troubled Central States Fund. The UPS pullout removes the largest and fastest-growing employer in Central States and threatens the future of the fund.

New Threats, New Opportunities

Generations of working Teamsters fought to win strong pensions. It's up to us to rebuild our funds and save our pensions in the face of new attacks and challenges. Upcoming national bargaining, local contracts and organizing drives will determine what happens next for Teamster pensions. History shows that members can't sit back and rely on employers or International Union officials to do the right thing. If we want retirement security, we've got to get involved and fight for it.

