

International
Brotherhood of
Teamsters

Denis J. Taylor, Director
Package Division
(202) 624-8755 / FAX (202) 624-6931

Memo

To: All UPS Local Unions

From: Denis J. Taylor, Director, Package Division

Date: July 27, 2018

Re: UPS CONTRACT UPDATE

Attached please see two fliers about the part-time wage increases contained in the tentative National UPS contract for preloaders and sorters and for “all other” part-time classifications.

Please distribute these fliers to your members.

The fliers will also be posted at upsrising.org

Thank you.

This Information Pertains To Positions Other Than Preloader and Sorter

Part-Time Start Rates and Wage Increases In UPS Tentative Agreement



"This agreement will help tens of thousands of part-time workers like me with the increased start rates and wage increases. It recognizes the hard work part-timers perform every day to make this company successful. The fact that we have wage increases and don't have to pay for health insurance makes this a solid agreement. I have been a part-time worker at UPS for 20 years and my job has helped me raise five children. The starting rate increases give workers a fighting chance."

—DONNA DIECKMAN, Local 407, Cleveland

UPS part-time "all others" will receive the following increases as part of the UPS Tentative Agreement.

New part-time start rates:

8/1/18: \$13.00
8/1/19: \$14.00
8/1/20: \$14.50
8/1/21: \$15.00
8/1/22: \$15.50

General Wage Increases (GWI) for all part-time employees who have attained seniority as of August 1, 2018:

8/1/18 = \$.70
8/1/19 = \$.75
8/1/20 = \$.80
8/1/21 = \$.90
8/1/22 = \$1.00

All part-time employees who have attained seniority as of August 1, 2018 and are at three (3) years or less in the "all others" progression:

8/1/18: \$13.00	(new start rate)
8/1/19: \$14.00	(new start rate)
8/1/20: \$14.80	(\$.80 GWI)
8/1/21: \$15.70	(\$.90 GWI)
8/1/22: \$16.70	(\$1.00 GWI)

EXAMPLE: Rachel is a part-time "all others" employee who has nine (9) months of seniority. She is currently making \$10.35 per hour. On August 1, 2018, Rachel will be eligible for the \$.70 raise and can make no less than the new start rate of \$13.00; and since the new start rate is higher than what the raise will give Rachel, she will go to \$13.00. The same will hold true for August 1, 2019—the new start rate of \$14.00 will give Rachel a higher rate than the \$.75 GWI so she will go to \$14.00. Starting on August 1, 2020, however, the GWI will exceed the new start rates and so Rachel will receive the GWI for the duration of the contract, ending with a wage rate of \$16.70 on August 1, 2022.

In addition, Rachel will get health insurance for herself and for her spouse and children right away (after her nine months of service) rather than having to wait one full year.*

All part-time employees who have attained seniority as of August 1, 2018 and are at four (4) years in the "all others" progression:

8/1/18: \$13.20
8/1/19: \$14.00
8/1/20: \$14.80
8/1/21: \$15.70
8/1/22: \$16.70

Part-Time Start Rates and Wage Increases in UPS Tentative Agreement

EXAMPLE: Dave is a part-time “all others” employee with four (4) years of seniority. He is currently making \$12.50 per hour. Since the GWI will result in a higher wage rate than the new start rate, he will receive the GWI and go to \$13.20 on August 1, 2018. On August 1, 2019, the new start rate of \$14.00 will result in a higher wage than the GWI, so Dave will go to \$14.00. Dave will receive the remainder of the GWIs and will be at \$16.70 on August 1, 2020.

A five-year “all others” employee with a start date of May 1, 2013:

EXAMPLE: Phil began his career at UPS just prior to the beginning of the 2013-2018 contract and was eligible for the GWI and could make no less than the progression in the contract. He started at \$8.50, went to \$10.00 on August 1, 2013 and is currently at \$13.80. Phil will get the GWIs and will be at a \$17.95 wage rate on August 1, 2022.

In addition, as a five (5) year part-timer, Phil becomes a participant in the UPS Pension Plan, a defined benefit pension plan.* The UPS Pension Plan is improved under the Tentative Agreement,

with a benefit of \$60 per month/per year of credited service and service pension of:

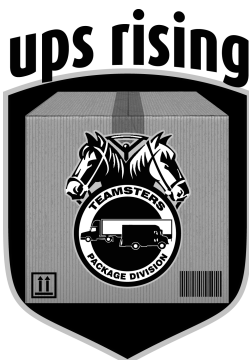
- \$2,275.00 per month at any age after 35 years of part-time credited service
- \$1,950.00 per month at any age after 30 years of part-time credited service
- \$1,625.00 per month at age 60 with 25 years of part-time credited service
- \$1,325.00 per month at any age with 25 years of part-time credited service

Unlike 401(k) plans, a defined benefit pension plan is a lifetime benefit.

Market Rate Adjustments and Minimum Wage Laws:

Seniority part-time employees as of August 1, 2018, who are receiving an hourly rate higher than set forth in Section (b), as a result of a Market Rate Adjustment or any minimum wage law, shall not have their wage rate reduced due to the implementation of Article 22 and shall receive the annual general wage increases in section (a).

***The average UPS contribution for Part-Time Health & Welfare and Pension is \$22.80 per hour. Full family medical coverage and a defined benefit pension is unheard of in Part-Time employment.**



**To view the entire proposed national agreement, go to:
ibt.io/agreement**

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).**

Part-Time Start Rates and Wage Increases In UPS Tentative Agreement

This Information Pertains To Preloaders and Sorters

"This agreement will help tens of thousands of part-time workers like me with the increased start rates and wage increases. It recognizes the hard work part-timers perform every day to make this company successful. The fact that we have wage increases and don't have to pay for health insurance makes this a solid agreement. I have been a part-time worker at UPS for 20 years and my job has helped me raise five children. The starting rate increases give workers a fighting chance."

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8/1/22: \$15.50

General Wage Increases (GWI) for all part-time employees who have attained seniority as of August 1, 2018:

8/1/18 = \$.70
8/1/19 = \$.75
8/1/20 = \$.80
8/1/21 = \$.90
8/1/22 = \$1.00

All part-time employees who have attained seniority as of August 1, 2018 and are at two (2) years or less in the preloader/sorter progression:

8/1/18: \$13.00	(new start rate)
8/1/19: \$14.00	(new start rate)
8/1/20: \$14.80	(\$.80 GWI)
8/1/21: \$15.70	(\$.90 GWI)
8/1/22: \$16.70	(\$1.00 GWI)

EXAMPLE: Diane is a part-time preloader who has nine (9) months of seniority. She is currently making \$11.00 per hour. On August 1, 2018, Diane will be eligible for the \$.70 raise and can make no less than the new start rate of \$13.00; and since the new start rate is higher than what the raise will give Diane, she will go to \$13.00. The same will hold true for August 1, 2019—the new start rate of \$14.00 will give Diane a higher rate than the \$.75 GWI so she will go to \$14.00. Starting on August 1, 2020, however, the GWI will exceed the new start rates and so Diane will receive the GWI for the duration of the contract, ending with a wage rate of \$16.70 on August 1, 2022.

In addition, Diane will get health insurance for herself and for her spouse and children right away (after her nine months of service) rather than having to wait one full year.*

All part-time employees who have attained seniority as of August 1, 2018 and are at three (3) years in the Preloader/Sorter progression:

8/1/18: \$13.70
8/1/19: \$14.45
8/1/20: \$15.25
8/1/21: \$16.15
8/1/22: \$17.15

Part-Time Start Rates and Wage Increases in UPS Tentative Agreement

All part-time employees who have attained seniority as of August 1, 2018 and are at the four (4) year progression for Preloader/Sorter:

8/1/18: \$14.20
8/1/19: \$14.95
8/1/20: \$15.75
8/1/21: \$16.65
8/1/22: \$17.65

EXAMPLE: Mike is a part-time preloader with four (4) years of seniority. He is currently making \$13.50 per hour. Since Mike is above the new starting rate, he will receive the GWI and go to \$14.20 on August 1, 2018. In fact, the GWIs will exceed the new start rate for Mike throughout the contract and Mike's rate will be \$17.65 by August 1, 2022.

A five-year Preload/Sorter employee with a start date of May 1, 2013:

EXAMPLE: Tom began his career at UPS just prior to the beginning of the 2013-2018 contract and was eligible for the GWI and could make no less than the progression in the contract. He started at \$9.50, went to \$11.00 as of August 1, 2013 and is currently at \$14.80. Tom will get the GWIs and will be at an \$18.95 wage rate on August 1, 2022.

In addition, as a five (5) year part-timer, Tom becomes a participant in the UPS Pension Plan,

a defined benefit pension plan.* The UPS Pension Plan is improved under the Tentative Agreement, with a benefit of \$60 per month/per year of credited service and service pension of:

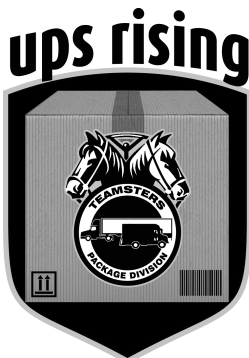
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- \$1,950.00 per month at any age after 30 years of part-time credited service
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