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FREQUENTLY ASKED QUESTIONS ABOUT THE NATIONAL MASTER UPS TENTATIVE AGREEMENT

The following are frequently asked questions from UPS members and answers to those questions. Look for more Q&As in the near future.

Q: Does the new Master contract change the terms for working on the day after Thanksgiving?

A: No. Premium pay for the day after Thanksgiving, if any, is established in the Supplements.

Q: Why did the union grant an extension of the current contract?

A: While there was an agreement on the Master portion of the contract, some of the Supplements were still being finalized. The extension also reassures members that they will continue to receive paychecks without interruption, unless it is necessary to call a strike. It also reassures customers that they can continue to ship with UPS, which prevents loss of business that could result in members being laid off.

Q: When the contract is ratified, will the terms be retroactive?

A: The extension provides that all economic improvements will be effective retroactively to August 1.

Q: Will my pension be increased?

A: The contract provides for a \$5.00 per hour increase to pension and health and welfare funds, \$1.00 per hour for each year of the agreement. Each pension fund determines whether the new money will result in an increase in the monthly benefit it provides. As you are aware, the financial condition of the pension funds varies widely. The Negotiating Committee cannot make any commitments as to what any particular fund will do with the new money.

Q: Will the UPS Part-time Pension Plan benefits increase?

A: Yes. The monthly pension for employees with 35 years of part-time credited service at any age will increase to \$2,275; for 30 years of credited service at any age the increase is to \$1,950; for retirement at age 60 with 25 years of credited service the pension is increased to \$1,625; and for retirement at any age with 25 years of service the increase is to \$1,325.

Q: Are there any additional increases during the term of the agreement under the UPS/IBT Plan?

A: Yes. Effective January 1, 2020, the 35-year pension at any age will increase to \$4,300 per month; for 30 years at any age, the increase will be to \$3,800 per month plus \$100 per year over 30 up to \$4,300.

Q. I was just curious if there's any language in there where UPS is actually going to start advancing loads. What's to keep UPS from loading up 22.4 Saturday and Sunday drivers and laying off Monday RPCDs (regular package car drivers)?

A. The situation on Mondays is really no different than the current situation found in many areas around the country. Right now there are lower paid employees delivering packages on a daily basis alongside of RPCDs; they are called various names, Regular Temporary Drivers, Utility, Cover, etc. These are part-time employees doing delivery; in many areas every day, all year long, with part-time pension and benefits. In addition, there are many areas currently operating Tuesday through Saturday ground delivery (at straight-time) as allowed in the Supplements. Despite this fact, daily overtime for RPCDs still exists and in fact is often excessive and forced. The Monday volume issue has existed previously and we do not expect the 22.4 classification to change that for the better or the worse.

Q. Does UPS still have to guarantee that a member who retires under Central States and the UPS/IBT Full-time Pension Plan gets a full pension if Central States has to cut benefits?

A. Yes that provision in Article 34 Section 1(I)(6) is unchanged. If Central States has to cut retirement benefits at some time in the future, UPS remains obligated to provide current and future retirees with a benefit from the UPS/IBT Full-time Pension Plan that matches what a member would have received if Central States provided the full benefit the member earned.

Q. What are we doing to protect the members from working excessive overtime (working until 11:30 p.m.) when it's not peak season like in March, June, July or August?

A. We have made it easier to get on (or off) the 9.5 list and put the list under the control of the union to prevent supervisors from intimidating members who want to work reduced hours. A member who has been violated will still be eligible to receive a triple time penalty. And we have made the language on repeated violations stronger. The current "3 violations in 5 months" has been changed to 4 times in a calendar year, and that will now trigger a review by higher level representatives of the union and company than the current process. Keep in mind that there are two things that need to happen to resolve a 9.5 grievance: Pay the penalty and reduce the overtime. If the second remedy is not accomplished, resulting in 4 penalties in a calendar year, that review process should be triggered.

Q. My question is about the 70 hours at peak season. It just sounds like if UPS decides just to go ahead and make it 70 hours it is 70 hours for all of us. Is this something UPS is just going to be able to do?

A. We believe that one of the benefits of having 22.4 combination drivers is that there will be a sufficient number of drivers available to eliminate or significantly reduce the need to impose a 70-hour schedule. The contract limits the company's right to impose such a schedule to peak season and emergency situations. The current contract has no limit. In emergencies the company must get approval from the Teamsters Package Division Director to ensure that it is a true emergency that actually requires the extra hours. In addition, the driver must have 8 hours available before the driver can be forced to work over 60. All work over 60 hours by RPCDs and 22.4 combination drivers will be paid at double-time. We believe that this will result in sufficient volunteers for the work. Finally, RPCDs will be the last to be forced, after seasonal drivers, non-senior drivers, part-time cover drivers and 22.4 combination drivers.

Q. Are we going to have to start paying for health benefits now?

A. No, you won't pay any contribution for health care. The company will continue to fully fund your health insurance.

Q. With part timers getting insurance at nine months instead of 12 what would be the time to add dependents? Would that be nine months as well or is it going to be longer?

A. Spouses and dependents will receive health coverage at the same time as the part-time employee, after 9 months of employment.

Q. I'm a mechanic at UPS district in Louisville, Kentucky and I'm currently in a 48-month progression. Does the new 24-month progression apply to me or am I stuck in the 48-month progression?

A. We have reduced the time a mechanic must be in progression before reaching top rate from 48 months to 24 months effective August 1, 2018. If you have more than two years under the current progression you will go to the top rate. If you have less than two years, you will slot into the new progression on August 1, 2018 and receive top rate when you complete your 24th month.

Q. I recently went from part time to full time within the last three years and am going through the progression. My question is: what is the progression increase for inside full-time employees that are not drivers?

A. You will be eligible for the General Wage Increases (GWI) in Article 41 and will make no less than the new progression rates, which have been raised \$1.00 for each level for Full-Time Inside. The top rate will be increased each year in accordance with the GWI as well.

Q. What does it mean that part timers will not be in the progression and how much will a part timer make after three years?

A. The progression has been done away with, and the new structure has a start rate of \$13.00 that increases to \$15.50 by August 1, 2022. Part-timers who are senior as of August 1, 2018 will receive the General Wage Increases and can make no less than the new start rates. A three-year part-timer in the "all other" classification now making \$12.00 will go to \$13.00 on August 1, 2018. They will go to \$14.00 on August 1, 2019; \$14.80 on August 1, 2020; \$15.70 on August 1, 2021; and will reach \$16.70 on August 1, 2022. A three-year Preload or Sorter would go to \$13.70 on August 1, 2018; \$14.45 on August 1, 2019; \$15.25 on August 1, 2020; \$16.15 on August 1, 2021; and reach \$17.15 on August 1, 2022.

Q. How soon can we start to file those grievances regarding supervisors handling packages? I see it going on every day and I would love to make triple time.

A. Once the contract is voted in, the new language can be used to deal with the repeat offender supervisors.

Q. Will part time employees have the opportunity to become full time employees?

A. The new agreement requires UPS to create 5,000 new full-time jobs. There will be at least 2,000 additional Sleeper Teams by the end of the contract, creating openings as these jobs are filled. The new language requires that in locations that utilize 22.4 combination drivers, ALL RPCDs be filled from the inside, doing away with the current "6 to 1" hiring ratio that gives UPS one opening to fill from outside for every seven job openings that occur.

For more information about the new 22.4 combination driver classification, go to <http://ibt.io/22.4pdf>

