



TEAMSTERS

United Parcel Service National Negotiating Committee

25 Louisiana Avenue, NW, Washington, DC 20001

IMPORTANT NOTICE

TO: ALL LOCAL UNIONS WITH MEMBERS EMPLOYED BY UPS

FROM: Denis J. Taylor, Co-Chairman
Teamsters National UPS Negotiating Committee

DATE: October 11, 2018

RE: **UPS, UPS Freight Updates**

UPS Freight Contract Update

In light of UPS Freight members rejecting the National Master Agreement, the Teamsters National UPS Freight Negotiating Committee has notified the company that the contract extension will terminate on November 12. The negotiating committee will work with local union officers to determine member priorities.

Following those discussions, the committee will hold further negotiating meetings with the company to address the members' concerns. The first such negotiations are scheduled the week of October 22.

The extension agreement requires a minimum 30-day notice to terminate. The union sent a termination notice on Tuesday, October 9 and set an expiration date of Monday, November 12.

UPS Contract Update

The National Master UPS Agreement has been ratified, but it will not go into effect until all the rejected supplements have been re-voted and approved.

Following the vote count on Friday, October 5, the results showed that six supplements were rejected. The union will be reaching out to the chairs of the supplements and then will arrange for a meeting with the company. The rejected supplements are:

- Teamsters Central Pennsylvania Tentative Agreement;
- Teamsters Local 243 and Metro Detroit Tentative Agreement;
- Teamsters Local 804 Tentative Agreement;
- Teamsters Trailer Conditioners Inc. (TCI) Tentative Agreement;
- Teamsters Upstate and West New York Tentative Agreement; and
- Teamsters Western Pennsylvania and Local 926 Car Wash Tentative Agreement.

Package Division Director Denis Taylor has reached out to UPS requesting a meeting to discuss the contract. We will keep the Local Unions informed as this process continues.

Once these six outstanding agreements are ratified, the national agreement will then go into effect, with economic improvements retroactive to August 1, 2018.

The union will keep members updated at www.UPSrising.org.

(Below is the update information that was posted to UPS Rising last week)

UPS and UPS Freight Contract Ratification Update

Since the announcement that a tentative agreement had been reached with UPS, the National Negotiating Committee (NNC) has provided members with an unprecedented number of leaflets and summaries explaining the terms of the proposed contract. We have conducted teleconferences to highlight the improvements in the new agreement and take questions from members, which were answered in writing and available on several electronic platforms. Members supporting and opposing the tentative agreement have freely and energetically exchanged their views through social media and in the workplace, examining every aspect of the proposal. The debate has been vigorous, and any member could easily obtain information necessary to determine whether to support or oppose the National Master Agreement as well as his/her applicable Supplement and Rider.

Once the ballot materials were printed and ready for mailing to the members, both the NNC and opponents to the agreement have repeatedly encouraged members to vote. The NNC contacted members through postcards, social media messages, text messages and robo-calls urging them to exercise their right to vote. Every Local Union reached out to its members with similar programs designed to encourage membership participation in the ratification.

In an effort to make voting more convenient and to simplify the process, the NNC implemented electronic voting, replacing traditional paper mail ballots. All members could easily vote via computer or telephone in order to express their opinion of the contract. Further, the new procedures allowed members to change their vote up until the close of voting.

Despite of all of these efforts made by the NNC, Local Unions and individual members to encourage voting, only 44.3 percent of the eligible UPS membership participated in the ratification referendum on the National Master Agreement. Of the 209,043 members who were eligible to vote, only 92,604 (44.3%) cast a vote. The results of the tabulation show that 42,356 (45.8%) voted for the proposed contract and 50,248 (54.2%) voted against it.

In such circumstances where less than 50 percent of the membership votes on a final contract offer, the International Constitution provides that “a two-thirds (2/3) vote of those voting shall be required to reject such final offer...” Failure to reject the offer by at least two-thirds vote of those voting “shall require the negotiating committee to accept such final offer or such additional provisions as can be negotiated by it.” As the vote tally indicates, a majority of members did not vote and a two-thirds majority of those who did vote did not oppose the contract.

The International Constitution does not give the NNC an option in these circumstances. As required by law, the NNC informed UPS of the ratification requirements at the beginning of negotiations. This provision has been in the Constitution since the 1991 Convention. If a majority of the eligible members had exercised their right to vote in this ratification, as did the members employed by UPS Freight, then a simple majority of those voting would have been needed to either accept or reject the agreement. But not enough members covered by the National Master UPS Agreement exercised their right to vote. And as we saw in the 2016 U.S. Presidential election, winning the popular vote does not necessarily win the election when the Constitution requires you to win the Electoral College vote. As Teamsters, we too must abide by the rules in our Constitution. Thus, the National Master UPS Agreement has been ratified.

The Committee fully intends to demand that UPS return to the bargaining table to address a number of member concerns with the National Master UPS Agreement.

We will keep you informed. However, based on the results announced this evening, the National Master UPS Agreement has been ratified. Additionally, regional and local supplements and riders were tallied and the National Negotiating Committee will follow up with those committees to move forward.

The entire National Master UPS Agreement is not final until all of the Supplements and Riders have been resolved. Accordingly, the NNC is prepared to assist the Supplemental Negotiating Committees secure another contract offer that will be presented to the affected membership.

This has been a lengthy process. While we attempt to resolve the outstanding Supplements/Riders and discuss the National Master with UPS, you are reminded that the terms of the 2013 Agreement remain in effect, including the no strike/no lockout clause. Under the terms of the extension agreement, all of the wage increases and other economic improvements in the new contract will be paid retroactively to August 1, 2018.

UPS Freight

The union also announced that UPS Freight Teamsters have rejected a proposed five-year national agreement with UPS Freight by a vote of 2,601 in favor and 4,255 opposed with 66.2 percent of eligible members voting.

The Teamsters National UPS Freight Negotiating Committee will notify the company that the union is terminating the contract extension, and the committee will contact the company to request another round of negotiations in order to address members' concerns. That agreement, which covers about 11,600 union-represented workers, will then need to be voted on again by the members.

*Download and sign up for the **UPS Rising mobile app** here to find the current UPS contract, along with all the UPS contract updates and other news. Visit the **UPS Rising Facebook page** where members can see the latest updates.*

*Text "UPS" to **86466** to receive text message alerts (message and data rates may apply).*

Thank you.