

Make UPS Deliver

PLEASE POST & DISTRIBUTE

Aug. 2, 2007



Deal to Weaken Pensions All But Official

Hoffa has all but made it official that he intends to let UPS rip 42,000 Teamsters out of the Central States Pension Fund—a move that would undermine the security of all Teamsters at UPS.

Our union entered early bargaining to win pension and benefit improvements. We can and must do better than this.

In an Aug. 2 letter, James Hoffa and Ken Hall have made it official: “UPS has reached an agreement with the Central States pension establishing conditions for a potential UPS withdrawal from Central States.”

They go on to claim that the deal is a long way from final, and they will “protect our members” in bargaining with UPS. But they wouldn’t be going through all this if they weren’t trying to soften us up to accept the deal.

It’s up to us to stop it.

In 1997, UPS tried to take control of our pension fund. Teamsters said “NO” and united, we won record pension increases. We can do it again. UPS is under pressure from shippers and stockholders to settle our contract early. This gives our union leverage and we need to use it to win retirement security and other contract improvements.

Just three weeks ago, Hoffa and Hall said the number one issue in negotiations was “improving the stability of the benefit funds upon which our members rely for health care coverage and retirement protection.”

Now, Hoffa and Hall’s apparent surrender on the pension issue—a year before our contract expires—is a clear warning to every UPSer that we need to get involved now to stop our negotiators from settling short like they did in 2002.

If Hoffa and Hall are willing to give in to UPS on pensions without any fight, then what does this mean for other key issues like excessive overtime, supervisors working, full-time job creation, stronger rights for combo workers, wage increases, raising the part-time starting rate, and other union demands? UPS Teamsters can’t afford another “Best Contract Ever.”

Pension Deal Would Hurt All UPSers

Under the law, UPS would be required to pay some \$6 billion dollars in withdrawal liability to Central States. In return, UPS would get to walk away from the fund forever and set up a joint UPS-Teamster pension plan for the 42,000 Teamsters in the Central States.

Two funds just like this already exist covering New Jersey and New York City. UPS recently demanded big pension cuts in both of these funds. They slashed pension accrual rates by 30 percent in New York. The New Jersey fund is only 52 percent funded—worse than Central States. The New York Fund’s investment returns are much worse than Central States—and have been for a decade.

These are UPS-Teamster plans just like the company wants to set up in the Central States—and they are cutting benefits. This puts the lie to the company’s claim that Central States Teamsters would be better off in a UPS plan.

The UPS pullout will not just hurt Teamsters in the Central States. UPS will offer less in the contract, after shelling out billions to split our pension fund.

Don’t Let Our Union Settle Short

If you’re happy with the “Best Contract Ever” and not worried that Hoffa and Hall will settle short again, then your job is easy: do nothing.

But if you want to protect your retirement security and win a better contract, it’s time to get involved. The right to vote on our contract gives us power if we’re organized to use it. Visit www.makeUPSdeliver.org.

makeUPSdeliver.org

For more information, call Teamsters for a Democratic Union at (313) 842-2600.