



AUGUST 29, 2019

Reddaway Contract Update

Union Leaders Unanimously Endorse Tentative USF Reddaway Freight Agreement

Leaders of local unions that represent workers at USF Reddaway convened via conference call on August 29 and unanimously endorsed the tentative TNFINC-Reddaway Freight Agreement covering approximately 1,300 Teamsters, paving the way for a vote by the membership.

The Teamsters National Freight Industry Negotiating Committee (TNFINC) for these negotiations was made up of 25 officers and stewards from numerous local unions across the Pacific Northwest and Western U.S. that represent employees at Reddaway.

"Negotiations were challenging this summer as we merged two distinct labor agreements covering Reddaway Teamsters into one," said Bob Paffenroth, Western Region Freight Coordinator for the Teamsters National Freight Division. "Every member of our negotiating committee believes that this is the best possible outcome we can achieve at this time. With uncertainty in the economy and changes taking place at various YRCW operations, it's important we have a strong contract in place as soon as possible. We were fortunate to have the input of our National Freight Director Ernie Soehl and Dan Ratty of Local 962 who headed up the Northwest group of Teamsters at Reddaway. They both provided valuable guidance as we pushed through to this new tentative agreement. We were also assisted by an experienced team of freight negotiators from the IBT to help us through the process."

The tentative agreement, which runs for two

years, from April 1, 2019 through March 31, 2021, contains numerous improvements, including:

- \$2.05 in wage increases over two years for the vast majority of workers (a 10% increase for an average worker) including a \$1.00 wage increase retroactive to April 1, 2019 (over 6% increase in year one alone); line drivers will see more than 5 cents per mile over that time and workers in progression will receive the proportionate amount of those increases as well;
- Significant increases for dock-only, clerical, maintenance employees, janitors and porters, including a \$1.00 wage increase retroactive to April 1, 2019;
- Restoration of the week of vacation that was given up in 2015 (in other words, employees otherwise entitled to four or five weeks of vacation) commencing April 1, 2019. Every eligible worker will receive the extra week (or pay in lieu of) on their anniversary date between April 1, 2019 and March 31, 2020;
- Protection of health and welfare benefits: Up to \$0.50 per hour increases each year for those funds formerly governed by the Northwest Agreement. The company agreed to provide the Western Teamsters Welfare Trust with fixed guaranteed amounts to maintain benefits;

continued on page 2

BALLOT MATERIALS will be mailed on or about **Friday, September 13,** and votes will be counted on or about **Friday, September 27.**



Union Leaders Unanimously Endorse Tentative USF Reddaway Freight Agreement *continued from page 1*

- Improved language to curb excessive executive bonuses and ensure workers a share in any financial prosperity that other YRCW employees may enjoy;
- Prohibitions against using driverless and autonomous trucks; and
- Prohibitions against implementing driver-facing cameras.

For the past decade, Reddaway has operated under a series of Memoranda of Understandings (MOUs) that contained significant economic concessions necessary to allow all YRCW subsidiaries to survive. The members had not had a newly negotiated contract in nearly a decade due to the struggles at YRCW over that time. At the outset of bargaining, in addition to seeking to reverse the trend of giving concessions, the union committee determined that it was important to have all Reddaway Teamsters working under one unified contract going forward and get out from under the MOU structure. The tentative agreement accomplishes that and maintains a traditional contractual structure and provides for significant economic and non-economic improvements for Teamsters. This was no small task because the Northwest Agreement was a more mature agreement with many local practices while the Western Agreement, barely a decade old, had more universal freight language.

“We believe this tentative agreement found the proper balance between the two agreements while allowing the parties to also maintain their important past practices which are critical to contract enforcement and conducting successful next-day and two-day freight operations,” Paffenroth said.

In addition, it was determined during negotiations

that there were several good reasons to bargain for a shorter duration for this agreement. An obvious one was that new talks in two years would enable the parties to correct any implementation issues arising under what is essentially a similar but new contract for all Reddaway Teamsters.

“We will also have a better idea of what YRCW has in store for its operating subsidiaries over the next year and a half, and we will get another shot to improve the wage and benefit package at that time,” Paffenroth said.

The tentative agreement contains significant economic and language improvements for the membership, as well as tools for the companies to use to increase market-share, expand into new areas of opportunity, and improve service while at the same time protecting and enhancing jobs, seniority, working conditions and earning opportunities for the membership.

On or about September 13, members will be mailed voting information. The vote will be by secret ballot as it always has been, but this time members will vote via the Internet or phone.

The vote will be conducted through the BallotPoint Election Services voting system. In the packet being mailed, members will find the agreement and a summary of the highlights including questions and answers. But instead of a paper ballot, members will find an individual access code and simple instructions on how to use the access code to vote by telephone or Internet.

The Teamsters Union has used BallotPoint extensively over the past three years to conduct contract ratifications, including the recent YRCW NMFA, ABF, UPS, UPS Freight and Costco ratifications. All of the ratifications were conducted without incident or challenges.

Votes will be counted on or about September 27.

HIGHLIGHTS IN THE TENTATIVE AGREEMENT COVERING USF REDDAWAY

The following are some of the improvements in the Tentative Agreement:

ECONOMIC HIGHLIGHTS

- \$2.05 in wage increases or 5.125 cents per mile over two years for the vast majority of workers including a \$1.00 wage increase effective (retroactive to) April 1, 2019. Included in that amount is a \$0.25 per hour increase effective October 1, 2019, as the so-called “Safety Bonus” is eliminated at the end of September and now becomes a permanent part of the wage and mileage rate.
- Significant increases for full-time dock only, clerical, maintenance employees, janitors and porters retroactive to April 1, 2019.
- Restoration of the week of vacation that was given up in 2015 (in other words, employees otherwise entitled to four or five weeks) effective April 1, 2019 through March 31, 2020 on one’s anniversary date. Eligible employees can take the restored week in a cash payment if so desired.
- Elimination of the outdated “Tier based” terminal wage system contained in the Western Agreement.
- Premium for triples and Rocky Mountain doubles is increased by 50% to 3 cents per mile.
- Establishes an entry rate “wage floor” of 80% of full-time wages for freight handlers and part-time clerical employees plus significant increases.
- Ensures that mechanics in certain locations get all the benefits of newly enacted prevailing wage laws in addition to negotiated increases.
- Improved language for becoming eligible for holiday pay.
- Improved and updated bereavement leave language to reflect a longer period of time for services or celebrations of life to take place.
- An increase in driver subsistence pay.
- Protection of health and welfare benefits. Up to \$0.50 per hour increases each year for Northwest Funds. The company agreed to provide the

WTWT with fixed guaranteed amounts to maintain benefits.

- If applicable, 401(k) contribution increases on par with any increases YRC Freight Teamsters receive in the West.
- Enhanced vacation benefits and cash out options for employees in the military who are called up to active duty.
- Increased moving expenses payable in the event of a change of operations.

LANGUAGE HIGHLIGHTS

- Elimination of the MOU structure and a return to a normal contract structure.
- Elimination of the MOU subcommittee and a return to the traditional grievance committee system.
- New language totally prohibiting the installation of inward-facing cameras in trucks for any purposes.
- New language prohibiting the company from operating “driverless trucks, drones or remotely operated vehicles to move freight over public roads.”
- Improved purchased transportation language with additional line driver protections.
- Creation of new freight handler positions at terminals that previously were CDL-only thereby allowing drivers with CDLs to actually drive.
- Improved card-check and neutrality language to allow local unions to organize unorganized workers at locations or operations of the company which are not yet organized or fully organized (all classifications).
- Protections against injured employees being forced to perform modified duty if the employee has been prescribed medications that prevent the employee from driving a vehicle or where the treating physician certifies that the employee cannot drive to and from work.



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