



# ***Economic Highlights of ABF NMFA Tentative Agreement***

## **Vacation Restoration**

ABF Teamsters will get back the week of vacation they had to give up under the last contract. To insure fairness and compliance with the contract, the vacation schedule will essentially be restored in a similar manner to which it was removed so that no member is disadvantaged under a particular Supplement's rules.

## **General Wage Increases and Bonus:**

Effective each July 1st of the agreement, hourly wages and mileage equivalents will increase by 30 cents, 35 cents, 40 cents, 45 cents and 50 cents in the last year. Total increases, absent any COLAs, will grow by \$2.00 per hour or 5 cents per mile for road drivers over the term of the contract. The union was able to leverage the recently enacted tax cut legislation and secure a \$1,000 lump sum signing payment for all active, full-time employees and \$500 for all active casuals (casuals who have worked at least 300 hours between Sept. 1, 2017 and March 31, 2018) upon ratification. Casuals will see annual wage improvements each year of the contract after seeing their rates frozen for long periods at various points over the last two NMFA's.

## **Profit-Sharing Bonus:**

The profit-sharing language was maintained in the tentative agreement, including language preventing the company from playing games with accounting rules to avoid paying a potential employee bonus.

## **Health and Welfare Funds Preserved:**

The union prevailed in requiring the company to continue to stay in all health and welfare plans. The union committee performed a detailed analysis of what exact amounts of increased employer contributions would keep the existing plans whole and settled on those fixed amounts for the largest health and welfare funds with ABF participants. In other areas, the union persuaded the company to commit

to increasing its contributions up to 50 cents per hour each year of the agreement in order to maintain benefits and/or comply with legally mandated benefit levels. Most importantly, the union also secured a new format to resolve disputes regarding the appropriate amount of annual increases to better ensure that the company meets all the terms and conditions of the health and welfare settlement.

## **Pension Contributions Maintained**

The union committee held firm and persuaded the company to stay in all pension funds and maintained the rate required by the various funds to be paid as of March 31, 2018 for the duration of the agreement. The contribution rate was NOT reduced in any funds. More than 90 percent of the bargaining unit is covered by pension funds that did not require an increase in contribution rates. The tentative agreement also provides that neither the company nor the funds could mandate any payments or assessments from the members. If a pension fund declines to accept the negotiated rate and expels ABF from the fund, then ABF will, in addition to any required withdrawal liability payments, also make a \$6.00 per hour contribution to the Teamsters National 401(k) Savings Plan on behalf of each affected employee. That 401(k) contribution will be 100 percent vested immediately in the employee's account.

## **Paid Time-Off Improvements**

Several significant achievements were made to paid time off in addition to the vacation restoration. They include:

- Moving the payout date for unused sick leave from March 31st to December 31st and clarifying the language for those employees working 4-10s.
- No longer allowing ABF to force an employee to take the last unscheduled week of vacation when the employee is on FMLA leave.