



FEBRUARY 9, 2018

DHL

Contract Updates

Leaders From DHL Local Unions Unanimously Approve Tentative Agreement



Leaders from 26 Teamster local unions that represent DHL members met in Washington, D.C. today and unanimously approved the tentative master agreement and supplements, paving the way for a vote by the members later this month.

The tentative agreement, unanimously endorsed by the Teamsters DHL National Negotiating Committee, provides historic wage and standard-of-living protections in

every year of the five-year agreement, with full retroactivity to April 1, 2017. It also continues important contribution increases negotiated in the current National Master DHL Agreement designed to protect members' health, welfare and pension benefits. Part-timers also receive significant raises (See the attached "highlights" section for more information).

"We faced challenging issues in negotiations due to the changing delivery environment and the fact that we have 25 supplemental agreements and

numerous health, welfare and pension funds," said Bill Hamilton, Director of the Teamsters Express Division and Co-Chairman of the Teamsters DHL National Negotiating Committee. "Despite the lengthy negotiations, we were able to secure retroactivity regarding wages and health, welfare and pension contributions, which is a huge victory for our members."

"The international global air express industry continues to face huge changes and challenges," Hamilton said. "However, this agreement provides security and stability to the more than 2,600 Teamsters covered by the national agreement. It preserves Teamster wages, benefits and working conditions through March 31, 2022."

The DHL National Master Agreement documents are posted at www.teamster.org/DHL-contract-updates, and supplements will be posted the week of February 12.

Ballot materials, including the supplements and local riders, will be mailed to local unions, which will be conducting voting at the local unions between February 22 and 25. Your local union will be contacting you with more information.

Highlights of the Tentative National DHL Master Agreement

Wage and Inflation Protection

The Teamsters National DHL Negotiating Committee won historic wage and standard of living protections in every year of the tentative agreement through significant annual wage increases and a strong COLA (cost of living adjustment) clause. The union negotiated wage increases totaling \$5.00 per hour over five years with full retroactivity to April 1, 2017. These are record annual hourly increases for full-time DHL Teamsters and reflect the hard work and dedication that drivers and office workers have committed to this company while rebuilding its brand, image and operations in the U.S.

Significant Increases Allocated to Protect Benefit Plans

The tentative agreement, which runs through March 31, 2022, contains important contribution increases negotiated in the current National Master DHL Agreement. In an effort to help protect these health and welfare and pension benefits into the next decade, the union committee convinced DHL to significantly increase its contributions to Taft-Hartley Teamster plans each year of the agreement.

PART-TIMERS GET MEANINGFUL RAISES TOO

Both the Driving and Non-Driving Rates will see hourly increases of between 50 cents to \$1.00 per year in the new tentative agreement, another major goal of members and the union committee. If a part-timer drives at any point during the day, they will receive the driver's rate for all time worked that day. The progression to the top rate was again shortened by 12 months in this tentative agreement, so that it is now only 24 months.

Jury Duty Improved

No longer will any jury duty payments be

deducted from regular earnings for days served performing this civic duty.

Special Licenses

The amount paid by DHL to the employee upon completion of CDL certification will rise from \$250.00 to \$300.00.

Attendance Bonus

Any employee who does not use any sick days during the contract year will receive a \$300 bonus.

Tuition Assistance

Article 21, Section 3 will be modified to allow all full-time and part-time employees successfully completing approved courses up to \$3,000.00 per calendar year for tuition reimbursement.

FOR EMPLOYEES COVERED BY THE PUD AND OFFICE/CLERICAL AGREEMENTS

Bargaining Unit Expansion

The tentative agreement contains language that will allow DHL Express to grow in the evolving U.S. delivery environment but only through the sustainable expansion of full-time jobs. For several months, DHL insisted on the use of unlimited part-timers throughout the day and week to meet the growing demand for off-hour business and weekend residential deliveries which would have resulted in job loss for regular full-timers. Part-timers may now perform am and pm driving duties **but only up to 15% of the active driving list and only if all red-circled, full-time drivers are working (no one on layoff). All regular drivers with bids will be red-circled as of ratification (guaranteed 40 hours) and that level (red circled by number on a station by station basis) MUST be maintained before any part-time drivers are used. The 15% use of part-time driving may be increased to 20%**

of the list BUT ONLY if the full-time list is also increased by 5%. At that growth point the ratio is permanently capped and part-time drivers can only be added hand-in-hand with additional full-time drivers. In addition, DHL will not create part-time morning driving positions to reduce the number of morning red-circled positions in any location.

The second major feature of the tentative PUD involves full-time driving and office bids covering weekends. Increasingly, global shippers are expecting their delivery companies to operate and have drivers and office personnel available in an expedited, 24/7 delivery environment. That makes the traditional 9 a.m. to 5 p.m., Monday-Friday bid setting less important to shippers and consolidators—possibly another casualty of the "Amazon effect" on the modern economy. Originally implying that this would be done by third-party carriers or independent contractors, DHL was convinced in the end that Teamsters should and can perform this work. In essence, the union insisted that any Sunday to Saturday bids must be five-day, 8-hour bids, must have two consecutive days off, and be limited to 10% of all bids at the location. Furthermore, the union was able to secure significant limitations on these new jobs:

- They must be newly created and in addition to the existing, full-time Monday-Friday bidded positions at the location.
- To grow the non-traditional workweek bids beyond the 10% cap, DHL must first also grow the number of full-time Monday-Friday bids by 5%. DHL then can implement an additional 5% of the Sunday-Saturday bids. The percentage then becomes permanently capped at 15%.
- Open Saturday work will be offered to eligible employees who may have missed a paid workday earlier in the week, then

Highlights *continued from front*

offered to non-scheduled employees, then available employees in seniority order. This includes an 8-hour guarantee.

- No employee with a current 40-hour guarantee on a seniority list will be required to work or take a weekend bidded position.

Additional Monies Available Starting in 2019 for Benefits

As an added protection for Teamster members and their families, the union successfully negotiated up to an additional 50 cents per hour to cover potential benefit funds’ needs for Health and Welfare coverage effective August 1, 2019 and August 1, 2021. If the combined need falls below the \$1.50 per hour level in any year, the unused portion of the additional 50 cents per hour may be banked

for future use in subsequent years.

In the Western Region, DHL Teamsters and their Locals who participate in WCT Pension Trust and whose Health and Welfare contribution is 75 cents per hour or more on August 1, 2019, August 1, 2020 and August 1, 2021, shall have the option to designate the difference up to 25 cents per hour (or up to 25 cents per hour even if the additional 50 cents is needed, whichever is less) to fund added pension contributions that year.

Miscellaneous Improvements

Uniforms – the boot/shoe allowance in the PUD and OC Supplements will be raised from \$100 per year to \$125 per year.

New Paid Time Off for Part-Timers – Part-time employees will get new paid-time off at

four hours per day for recognized holidays, 5 days of sick leave and one week (20 hours) of vacation per year. At three years, part-time employees will get two weeks of vacation.

For Gateway Workers

The union was able to get DHL to slash the length of the wage progression by almost 50% in the new tentative agreement which will result in significant, more immediate increases for all Gateway workers as they slot into the schedules. This historic change will also accelerate the time it takes for Gateway workers out of progression to start receiving the same wage increases as those working under the PUD Supplement. Other economic improvements include improved accrual for vacation and sick leave and increased contributions for pension and health and welfare coverage.



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DHL Contract Voting



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