



# Reddaway Contract Update

## Leaders from Local Unions That Represent USF Reddaway Workers Unanimously Endorse Tentative Agreement

Leaders from local unions that represent USF Reddaway workers unanimously endorsed a tentative contract today that brings Reddaway under the Yellow NMFA, increases wages to match the YRC Freight wages in the same area, maintains the health, welfare and pension plans with NMFA contribution increases, and increases paid holidays and vacation time, among other improvements.

“This is an excellent tentative agreement that creates fairness and security for our Reddaway members,” said Ernie Soehl, Director of the Teamsters National Freight Division. “I want to commend Bob Paffenroth, Co-Chairman of the Teamsters National Freight Industry Negotiating Committee (TNFINC) and all the negotiating committee members for a job well done, especially during a pandemic.”

“The committee is proud of the tentative agreement we reached, particularly because it brings our Reddaway members’ wages and benefits in line with their fellow Teamsters at YRC Freight,” Paffenroth said. “The committee has been working on this for years, and we have finally achieved this for our members, in addition to the other many improvements.”

TNFINC reached the tentative agreement on May 21. Once the agreement is ratified, wage increases will be retroactive to April 1, 2021. The contract (Yellow NMFA) runs through March 31, 2024.

Reddaway is a wholly owned operating subsidiary of Yellow, Inc. (previously called YRCW). Yellow’s other operating subsidiaries are YRC Freight, Holland, and New Penn which are all covered by the Yellow NMFA. Reddaway, however, has historically had its own stand-alone collective bargaining agreement. “This new tentative agreement brings Reddaway under the same contract as YRC Freight, Holland and New Penn,” Paffenroth said.

The local leaders’ unanimous endorsement paves the way for members to vote at their local unions. Voting will take place between June 10 and 17, with overall results announced on June 18. Local unions will provide members with specific voting information.

To see the actual Tentative Agreement, go to <http://ibt.io/Reddaway21>

### SUMMARY OF HIGHLIGHTS IN THE TENTATIVE AGREEMENT

#### WAGE INCREASES

Wages will be increased in nearly every Reddaway location to match the YRC Freight wages in the same area (e.g. supplement and/or Joint Council). The increases will be retroactive to April 1, 2021. Because the Reddaway rates varied widely depending on location, the actual raises will differ depending on classification and location. Most classifications will see between \$.70 per hour to \$1 increase retroactive to April 1, 2021. For example, Reddaway CDL drivers in Seattle and Portland will see their base wage rate go from \$23.56 to \$24.286 per hour (i.e. a 72.6 cent increase) retroactive to April 1. Likewise, wages for CDL drivers in Fontana, LAX, San Fernando and Los Angeles will go from \$23.58 to \$24.3965 per hour (i.e. an 81.65 cent increase). Certain locations may see even greater increases.

Again, because the rates currently differ so widely at Reddaway based on location, the actual increases needed to bring them up to match the Yellow NMFA rates are different depending on classification and location. It is important to note, however, that there will be **NO REDUCTIONS** in any wage rates as a result of this agreement.

Furthermore, there will be an additional 35-cent-per-hour increase (and mileage equivalent) this year on October 1, 2021 as set forth in the Yellow NMFA. Likewise, there will be an additional 80-cent-per-hour increase in 2022 and again in 2023. The 80-cent increases in 2022 and 2023 will be split equally between April 1 and October 1 in those years in accordance with the NMFA.

Additionally, linehaul fueling pay shall be increased from one quarter hour to one half hour and the triples premium will increase from \$.03 to \$.04 per mile retroactive to April 1, 2021 in accordance with the NMFA.

#### MORE PAID HOLIDAYS

Holidays at Reddaway will be increased to match YRC Freight under the Western States Supplement to the NMFA. Under the stand-alone Reddaway contract there were eight (8) paid holidays per year. That will be increased to twelve (12). Specifically, this includes the following additional four (4) holidays: employee’s anniversary date; employee’s birthday; and two (2) personal days. Furthermore, the qualifying “trigger” for receiving holidays will be easier. JC7’s holidays will likewise be governed by the JC 7 supplement to the NMFA.

#### MORE VACATION TIME

Vacations at Reddaway will be governed by the NMFA. This means that a 6th week of vacation is expressly set forth for employees with 30 years of service. Also, employees will earn their second and third weeks of vacation a year sooner than under the old Reddaway contract.

#### HEALTH AND WELFARE PLANS REMAIN WITH CONTRIBUTION INCREASES PER THE NMFA

All benefit plans will stay the same and receive the NMFA contribution increases. The only exception is for Local 70 which has opted to move from the WTWT to the Bay Area Drayage Fund, which will in turn receive the NMFA increases for that Fund. This was at the Local’s request.

#### RETIREE MEDICAL COVERAGE IN WTWT

In the past, the employees covered by the WTWT for medical benefits did not receive retiree coverage. Effective January 1, 2022, the

## SUMMARY OF HIGHLIGHTS IN THE TENTATIVE AGREEMENT CONTINUED FROM FRONT

company will increase its monthly premium to the WTWT in order to purchase retiree medical coverage from the Fund.

### INCREASED MINIMUM 401(k) CONTRIBUTIONS

The minimum 401(k) contribution Reddaway must make is raised from \$1.73 per hour to \$2.165 per hour. Any increases thereafter will be in accordance with the NMFA.

### ENHANCED PROTECTIONS AGAINST MISUSE OF CONTRACTORS/PURCHASED TRANSPORTATION

Reddaway is allowed to continue to use PT, however, strong protections were added to the existing language. For example, extra-board road drivers shall receive a minimum guarantee if not put to work on the road and PT runs out of the drivers' terminal. Specifically, extra board-drivers at a location who are not dispatched in a day shall be offered shuttle or other similar hourly-paid driving work opportunities (i.e. dropping a trailer at a customer but not doing peddle runs) and the

driver shall receive no less than the equivalent of pay for four hundred (400) miles for the day, provided he/she accepts the shuttle or similar work offered. Furthermore, under the tentative agreement, TNFINC will have "the spigot" which allows the union in its sole discretion to limit or discontinue the use of purchased transportation in any geographic area on a 30-day written notice.

### ENHANCED GRIEVANCE PROCEDURE WITH RIGHT TO STRIKE IN ACCORDANCE WITH NMFA IN CASE OF FINAL DEADLOCK

The lower levels of the current grievance procedure have been maintained for geographic convenience. If a case cannot be resolved at that level, however, the grievance will be channeled through the NMFA Joint Western Area Committee process with an ultimate right to strike in the case of a final deadlock at the national level.

There are also many additional benefits under the Yellow NMFA that now will apply to Reddaway.



## Reddaway Contract Update

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*For More Information and to see the actual Tentative Agreement, go to <http://ibt.io/Reddaway21>*

Voting on the tentative agreement will be conducted by each Teamster local. Local unions will determine the voting dates, which will be between June 10 and June 17, as well as the times and locations for their members to vote. Locals will notify their members with the specifics. The ballots will be counted and the results announced on Friday, June 18.

**VOTING CONDUCTED BY LOCALS**