

Tentative Agreement Reached

United Stand By Members Leads to Strong Contract

The Teamsters Union has reached a tentative agreement with major carhaul carriers that will protect health benefits and pensions while providing more job security for Teamsters and numerous other improvements.

“While more and more workers are being forced to pay toward their health care, our Union committee stood up and fought against co-pays while preserving our pension plans and improving job security,” said Jim Hoffa, General President and Chairman of the Union’s National Negotiating Committee. “We achieved those goals while also obtaining wage improvements and a strong cost-of-living agreement in a very difficult economic climate.”

“Despite the difficult economic conditions in our industry, we pushed hard so that the employers reward our members for their hard work,” said C.B. “Doc” Conder, Co-Chairman of the Negotiating Committee. “This is a solid contract, and I’m confident the members will agree.”

Many Strong Gains

The tentative agreement increases wage and benefits by 13.4 percent over the term of the agreement, and maintains strong health benefits with no co-pays.



The contract provides the largest health and pension increases in carhaul history: \$3.10 per hour over five years. Further, there are wage increases of \$1.30 per hour (.40, .40, .50 in last three years).

The agreement includes job-security protections, including strong language protecting Teamster work

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ONE CONTRACT

Last fall, Allied Automotive Group pulled out of the National Automobile Transporters Labor Division (NATLD) and sought a separate contract with the Teamsters. Teamsters negotiators endured months of two sets of negotiations, one with Allied and one with NATLD.

“I told Allied from the beginning that we were going to end up with one contract,” said Jim Hoffa. “But they expected to get a separate deal in the end. Our members unity and the 97 percent strike authorization backing up negotiators proved the difference and showed the company that we were not backing down.”

At the eleventh hour Allied caved and agreed to sign on to the National Master Automobile Transporters Agreement – keeping the national contract intact.

Beating Back Concessions

Union Negotiators Hold the Line

When business is bad, employers typically try to regain profitability at the expense of their workers. Predictably, similar maneuvers marked this year’s carhaul contract talks.

Complicating matters was the decision by Allied Automotive Group, the union’s single-largest carhaul employer, to withdraw from the National Automobile Transporters Association, which in turn refused to permit Allied to bargain jointly.

Yet despite hard times and a two-front battle, union negotiators rejected all efforts by the employers

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A Message from Carhaul Division Director Doc Conder



A Solid Deal

It took around-the-clock bargaining and firmly holding to our trade union principles. But with barely an hour left to spare before our strike deadline was to kick in, our team succeeded in getting management to come to its senses and sign on the dotted line.

That was how long it took for management to finally comprehend that the Teamsters were serious about getting a fair contract. But armed with a 97 percent strike authorization vote and the presence of General President Jim

Hoffa and General Secretary-Treasurer C. Thomas Keegel to the very end, we prevailed at the bargaining table.

Every carhauler knows that our industry is going through particularly tough times. The automakers apparently think it's worth risking the quality of their deliveries to throw in their lot with substandard operators to save a few pennies.

Now that we have a solid deal in place, we can and must focus our energies on reversing the decline and creating new work opportunities for our members.

"We prevailed at the bargaining table."

WHAT WE ACHIEVED

- Maintaining strong health benefits with NO co-pays;
- Largest health and pension increases in carhaul history: \$3.10 per hour (.60, .60, .60, .60, .70 each year, respectively);
- Wage increases of \$1.30 per hour (.40, .40, .50 in last three years);
- A real cost-of-living allowance (COLA) of \$.01 per hour for every .1 increase in the consumer-price index (CPI, or rate of inflation) above 3 percent. The same language in the 1999 agreement increased workers wages by \$0.11 per hour in 2001;
- During the life of the contract, the loaded and frozen mileage rates will go up by 6.5 cents per mile. The running mile rate will increase by 3.25 cents per mile. Other contractual rates, including flat, zone and shuttle, will increase by a minimum of 6.5 percent. In addition, per unit/per drop loading and unloading rates and skid drops will increase by 6.5 percent;
- Maintain seniority portability;
- Strengthens safety and health requirements;
- Improves sleeper cab provisions;
- Strong language protecting Teamster work from encroachment from cross-border trucking;
- Job security enhancements, including the ability of members to follow their work when a contracted carrier is replaced;
- Allied will transfer remaining QAT Michigan operations into NMATA unit;
- Jury duty increased from 10 to 15 days a year;
- Health and welfare contributions for members on military leave extended from 12 to 18 months;
- Protection of the enhanced early retirement; and,
- Protection of the prescription drug benefit for retirees covered by Central States that was won in 1999.

Beating Back Concessions

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to force concessions in grievance procedures, wages and health and pension plans. Among the proposals that union negotiators beat back were:

- Demand by Allied for separate contract and separate grievance procedure
- Elimination of inter-carrier seniority protection when following work to different carrier
- 25% Employee health and welfare co-pay
- Reduced wage rates for new hires
- Reduced sick and vacation benefits for new hires
- Elimination of contractual cross-border protections for U.S. members
- “Most Favored Nations” provision intended to reduce wages and benefits of NMATA members
- Employer manipulation of seniority/mandatory redomocile of drivers
- Freeze on COLA for duration of contract
- Reduced vacation benefits
- Mandatory 24/7 workweek
- Elimination of “Drive-away” from Master Agreement
- Elimination of successorship/transfer protection in situations involving bankruptcy or receivership
- 4 year wage freeze, with an illusory profit sharing scheme under which members would obtain no monetary benefit
- Employer option to use its own health and welfare plan
- Automatic 50% wage rate reduction for newly obtained secondary traffic
- Dilution of drug testing protections

Reversing the Slide

Throughout months of negotiations, there was an invisible, 600-pound gorilla in the room: the auto manufacturers.

Under changes to Article 22, carriers will be able to bid on all new work, including secondary, as well as work taken away by non-union carriers. Importantly for carhaul members, the contract language protects work that was union within the year prior to the contract inception date, and throughout the term of the contract.

Under the new terms, “union carriers can respond immediately to the manufacturers to secure the business,” observed Louis Miller of Local 120 in St. Paul, Minnesota, who served on the National Negotiating Committee.

Miller noted that when Sierra Mountain moved into Cottage Grove, Minnesota, General Motors shifted work previously performed by Teamsters employed by Allied and gave it to the scab carrier. “The new Article 22 language will allow any union carrier to come in and bid to take the work,” he said.

“This language is going to help us get some of the nearly 4,000 Teamster carhaulers who have lost work since 1999 back to work,” said Doc Conder. “We must reverse the slide of the unionized sector of the industry.”

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from encroachment from cross-border trucking. It also includes language giving members the right to follow their work when a contracted carrier is replaced and seniority portability.

What's Ahead

Two members from each Carhaul local union will review the tentative agreement on June 10 in Detroit. The members will then vote on the agreement in mail-in balloting. Once ratified, the new five-year agreement with the National Automobile Transporters Labor Division and Allied Automotive Group will become effective, retroactive to June 1.

“Once again, the Teamsters Union has shown the power of member unity,” Hoffa said. “We continue to move forward—fighting the battles that make a difference for Teamster carhaulers and their families.”



A Message from Teamsters General President James P. Hoffa



A Contract We Can Be Proud Of

With the new National Master Automobile Transporters Agreement, we have a contract that charts a future of growth and prosperity in which every Teamster carhauler will play a part.

Time and again, throughout months of contentious negotiations, man-

agement tried to use their problems as a lever with which to extract givebacks. Time and again, they failed.

Management couldn't stick with its giveback strategy in the face of unprecedented unity displayed across the bargaining table.

Our negotiating team held firm in rejecting the employer's demands for unwarranted concessions and prevailed in winning a strong contract—a contract that protects health care and pensions and increases wages, despite the current economic recession and efforts by the Big Three to break the unionized carhaul industry.

We were able to hold firm because you overwhelmingly voted to authorize a strike should it have become necessary. Further, I told the employers that negotiations would not be extended beyond the deadline of midnight, May 31. With the overwhelming show of support for the Teamsters Negotiating Committee and a firm deadline, the employers took their proposals off the table and moved in the direction of the union's demands to secure a contract.

Carhaul Director Doc Condor, General Secretary-Treasurer Tom Keegel and the entire Negotiating Committee did a great job despite the tough obstacles. By working around the clock, we won an agreement that the industry analysts and naysayers said wasn't possible. We won a contract that we can all be proud of.

Remember, UNITED WE WIN.

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