



FREIGHT '03 UNITY

Contract
Bulletin

FEBRUARY 2003

Freight Members' Unity Key to Contract Victory

Agreement is a 'Giant Leap Forward'

Teamster freight members will soon vote on a tentative contract that provides significant wage increases, maintains strong health care without premium co-pays and restores the right to strike over deadlocked grievances, among other improvements.

The agreement reverses a decade-long trend of the union negotiating concessionary freight agreements. In fact, the total value of the NMFA is \$1.7 billion—compared to less than \$1 billion in 1998. Most notably, the contract restores the union's right to strike over deadlocked grievances that was given away in 1994 by the prior Teamsters administration. This fulfills a pledge that

General President Jim Hoffa made at the beginning of negotiations and restores the crown jewel of the NMFA negotiated under Hoffa's father James R. Hoffa.



"This is an excellent contract," said Randy Cammack, Secretary-Treasurer of Local 63 in Covina, California and a member of the Teamsters National Freight Industry Negotiating Committee (TNFINC). "This is a contract that all of our freight members can be proud to call their own."

"This is the most improved National Master Freight Agreement I've ever helped negotiate," added Phil Young, Co-Chairman of the TNFINC, who has

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BALLOTS IN MAIL SOON

Ballots are scheduled to be mailed in early March, following the 2-man review on February 19 in Chicago.

You will vote on the National Master Freight Agreement (NMFA) and on your supplemental agreement.

For an update on the balloting process, call toll-free (866)-TEAMSTR or visit the Teamster freight website, www.freightunity.org.

Negotiators Achieve Gains in Supplements

National Contract Only Part of the Story

While the National Master Freight Agreement (NMFA) contains numerous improvements, it only tells part of the successful story.

Teamster negotiators also won tentative agreement on significant improvements in the supplemental agreements covering the Eastern, Southern, Central and Western regions.

In a first for the NMFA, all of the supplemental

committees gathered at the same time and location to address the various agreements prior to negotiating the national portion of the contract, providing more consistency and unity. Also, General President Jim Hoffa set a condition that all of the major issues in the regional supplements needed to be resolved before national negotiations could proceed. Hoffa also stressed that the supplements needed to be settled without any givebacks to the companies.

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"I'm proud to present this contract to you for your consideration."

A Message from Freight Division Director Phil Young A Landmark Contract

I have been a Teamster since 1968, and I have helped negotiate freight contracts since 1977.

The proposed National Master Freight Agreement (NMFA) and its supplements that you will soon be considering contain more improvements than any other agreement I have helped negotiate.

In addition to the strong economic package—higher wages, and health, welfare and pension benefit protections—the contract contains numerous language

changes that will improve your daily working conditions.

I am confident that when you review these changes, you will agree that they add up to a big win for Teamsters in the freight industry. As Co-Chairman of the Teamsters National Freight Industry Negotiating Committee, I am proud of the committee's work and their unanimous recommendation of this contract. And I'm proud to present this contract to you for your consideration.

Negotiators Achieve Gains in Supplements

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"The General President's leadership and the unity within our committees really set the groundwork for successful national talks," said Phil Young, Co-Chairman of the Teamsters National

Freight Industry

Negotiating

Committee (TNFINC). "We created momentum early on and moved ahead effectively."

The supplemental agreements are important because

they address issues of concern by region, and target specific situations that are unique. Although specific language improvements vary from one supplement to another, some enhancements include:

- Increased road bids;

- Liberalized time off;
- Tougher protections against subcontracting;
- Shortened trigger for casuals;
- Extension of city radius;
- Improvements for qualifying for holiday pay for laid-off workers;
- Limiting the number of closeout shifts;
- Sleeper team mileage premium increases;
- Improvements in banking sick leave, vacation and holidays;
- Limits on 10-hour days;
- Paid time for fuel stops;
- Pay for road delays – increase in meal allowances;
- Additional pay for delay time; and,
- Improved choice of work within local classifications.





Remarks of Jim Hoffa At Press Conference

Thursday, February 6, 2003, Chicago

Today the Teamsters have made history. We have restored Teamster pride. We have restored Teamster unity. We have restored Teamster power.

We negotiated the largest monetary package ever in the freight industry, and we protected health care by avoiding co-pays. We won a 73 percent increase in economics alone over the previous contract. We won major improvements across the board, and we did it six weeks early.

Today is a good day to be a freight Teamster.

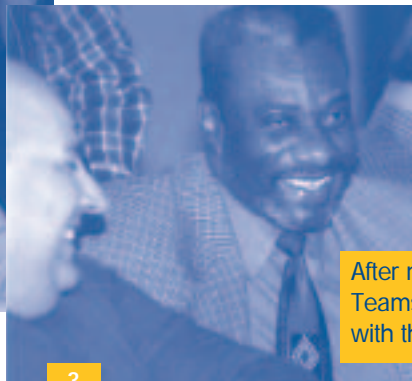
This is a very strong contract and a milestone in the history of the Teamsters Union. Today we end a decade of concessions in the freight industry. These are difficult economic times. The nation is in the depths of recession and on the brink of war. Workers are struggling to hold on to what they have. Yet while others are moving backward, the Teamsters Union is moving forward.

The features of this tentative agreement are extraordinary. The total value of the package is approximately \$1.7 billion, compared to less than \$1 billion in the 1998 contract.

The member's first priority is health care. And we kept our strong health care—with no increased cost to the members. Our pensions are protected. In fact, we achieved the largest health and pension contributions in the history of the NMFA—\$3.10 per hour over the term of the contract.

On economic issues, we achieved hourly wage increases of \$2.25 over the term of the contract. The average increases for wage and benefits are 3.4 percent and protect workers from health care co-pays for the full 5 years of the contract. We have a real cost-of-living adjustment—the first since 1982.

We have taken major steps to enhance job security and protect the work of our freight members. This contract prevents subcontracting to Mexican operators—a major victory in this time of unfair trade.



But more than economics—we have won on a number of fronts to improve the working conditions of our members. For example, the new pact features:

- An additional week of vacation—from 5 to 6—for workers with 30 years on the job;
 - Higher minimum-speed standards on all road equipment, both new and existing;
 - Air-conditioned cabs for all city trucks;
 - Walk-in sleepers on all new cabs, rather than the crawl-in types now in use;
 - An open-ended grievance procedure, with arbitration eliminated;
 - Establishment of pay premiums for sleeper teams and premium service.
 - Extension of health and welfare contributions during military leave from 12 to 18 months—a particularly important gain as our nation prepares to go to war;
 - Extension of jury duty time from 10 to 15 days
- I should mention as well the huge progress we made on the supplements, including such improvements as:
- A new overtime formula to return laid-off workers to active status in city, clerical and garage positions;
 - Greater flexibility in vacation policy;
 - Stronger language addressing time off and paid-time issues, as well as qualifying for holidays, banking sick leave and payment for delay time;
 - Superior bidding procedures for road drivers and choice of work within local classifications;
 - Elimination of company bunkhouses;
 - Limits on 10-hour days; and
 - Improvements to close-out shifts.

After months of hard work, Teamster negotiators are pleased with the tentative agreement.

Business Conference

Despite intense pressure to reach an early agreement, we held the line and refused to settle for less than our members deserve. The results prove the wisdom of this course. This is a win-win contract for both sides. Our members get a strong contract and the freight companies get 5 years of labor peace.

This is a contract that helps position these companies to be competitive in the marketplace. We are positioned to grow the unionized trucking sector and improve workers lives.

On a more personal note, a special thanks is due to Phil Young, Tyson Johnson and the entire negotiating team for working tirelessly to win this strong contract. They have done a tremendous job.

This year marks the 100th anniversary of the International Brotherhood of Teamsters. Throughout our proud century of service, freight has been the backbone of our union. My father negotiated the first National Master Freight Agreement, and with it revolutionized the way America moves its goods. He brought a whole new generation of workers into the middle class.

The theme of our anniversary celebration is "A Strong Legacy, a Powerful Future." This contract is just one example of how we continue to honor the legacy of our union—and grow stronger for the future.

NO MEXICAN SUBCONTRACTING

True to its forward-looking vision, the tentative National Master Freight Agreement includes a provision that prohibits employers from subcontracting any work in the United States to a Mexican carrier.

"This is one of the major steps we have taken to enhance job security and protect the work of our freight members," said Jim Hoffa, Chairman of the Freight Unity '03 Negotiating Committee. "This contract prevents subcontracting to Mexican operators—a major victory in this time of unfair trade."

The language dovetails with the Teamsters Union's ongoing efforts to protect its ranks despite efforts by carriers and shippers to grant full U.S. highway access to Mexican rigs under the North American Free Trade Agreement.

In January, a federal appeals court ordered the U.S. Department of Transportation to prepare a full Environmental Impact Statement and Clean Air Act conformity determination before it can open the U.S.-Mexican border. The action came after the Teamsters and other members of a broad-based coalition of environmental, labor and consumer groups sued the Bush Administration for unlawfully ignoring the environmental impact of Mexican trucks, which emit more pollution than American trucks.



In an important labor victory, the Teamsters preserved comprehensive health-care coverage in a tentative five-year contract agreement with the nation's biggest trucking companies, providing a blueprint for other unions on how to stave off erosion of medical benefits.

-Wall Street Journal, February 7, 2003



Randy Cammack

Freight Members' Unity Key to Contract Victory

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participated in freight negotiations for more than two decades. "This contract contains language changes that will improve our members' working

conditions, and will provide them with good wages and benefit protections."

Hoffa announced Thursday, February 6 in Chicago that the union and employers representing the four major union trucking companies—Roadway Express, Yellow Transportation, ABF Freight System and USF Holland—had reached tentative agreement on a new five-year National Master Freight Agreement (NMFA).

"This contract takes a giant leap forward for freight members while other unions battle to stand in place," Hoffa told reporters at a news conference. "We maintained our strong health care benefits, protected our pensions and won the highest wage increases in more than a decade."

Strike Vote Crucial to Victory

Contract talks broke off January 20 over economic issues, prompting the TNFINC to call for a strike-authorization vote.

The strike authorization was approved by more than 95 percent of Teamsters, providing a kick-start to talks. With rank-and-file members united in support of the Teamsters

negotiating committee, the employers moved quickly in the direction of the union's demands to secure a contract.

"The members' support was crucial to this victory," said Billy Cullen, President of Local 480 in Nashville, and member of TNFINC.

A few examples of the many contract improvements include:

- Wage increases of \$2.25 per hour over the life of the agreement (.50, .40, .40, .45, .50) compared to \$1.40 per hour in the 1998 agreement;
- Highest health and welfare and pension increases ever of \$3.10 per hour (.60, .60, .60, .60, .70) compared to \$2.10 per hour in the 1998 agreement;
- A real COLA of \$.01 per hour for every .2 increase in the CPI after 3 percent;
- Employers prohibited from subcontracting any work in the United States to a Mexican carrier;
- Health and welfare insurance paid for military leave increased from 12 to 18 months;
- A reduction of maximum rail miles to 26 percent from 28 percent;
- One additional week vacation after 30 years of service;
- Air conditioning for all city equipment purchased after 4/1/03;
- Walk-in sleeper cabs for all sleepers purchased after 4/1/03;
- Expanded employment opportunities to laid off freight workers.

Supplemental Success

Additionally, negotiators won significant improvements in the supplemental agreements that address work rules and other issues by region or location (see story on supplements).

"We made many gains in the Western supplements," said Ralph Taurone, a member of TNFINC and International Vice President. "For example, we secured a substantial reduction in the pre-Medicare and Medicare retiree health and welfare co-payments."

The union's negotiating committee unanimously endorsed the tentative agreement. Also, at press time, representatives of the more than 200 freight locals were scheduled to review the tentative agreement on February 19 in Chicago, setting the stage for the members' voting.

"I am confident our members will agree that this contract restores much of the member power contained in earlier contracts, plus additional gains," Hoffa said. "I am proud of our national committee and supplemental committees for achieving such strong tentative contracts."



Ralph Taurone



Members of Local 557 in Baltimore join their fellow freight workers in voting overwhelmingly for strike authorization





A Message from General President Jim Hoffa

Wielding the Power

Teamster Freight Members won a tremendous victory February 6 when our negotiating team closed the deal on a strong National Master Freight Agreement (NMFA).

We achieved all of our goals, and addressed all the major issues.

After years of weakness and the concessions they spawned, we won important core language that returns the power to you, the work-

ers—the Teamsters. First and foremost, we restored the right-to-strike over deadlocked grievances. A key component of the original NMFA in 1964, this important tool was given away in 1994. Never again will we allow employers to weaken the union.

But we did more than reverse the givebacks of the past—we built our union for the future with outstanding, first-time-ever gains. These include:

- Requiring minimum speed capability for equipment;
- Mandated walk-in sleepers for two-man teams;
- Air conditioning for city equipment;
- Compensation for two-man teams if AC equipment breaks down; and,
- The best time-off policies ever.

This is more than a good contract. This is a framework for moving forward. By staying united, we have wielded the power needed at the bargaining table to achieve our objectives.

I want to thank all the members who stood behind our union's negotiators and supported them by overwhelmingly authorizing a strike. Your support made the difference and helped us achieve this excellent contract.

United, we won!

Fraternally,



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