

# Transport Topics **Online**

Updated:

## Teamsters Approve YRC Pay, Pension Cuts

Less-than-truckload carrier YRC Worldwide's Teamsters union members approved a 5% wage cut and agreed to allow the company to forego pension plan contributions for the next 18 months, the two said late Friday.

The deal, tentatively approved last month by union leadership, sets the new 5% wage cut effective retroactively to Aug. 1, on top of a 10% cut agreed to by the Teamsters earlier this year.

The Teamsters approved the deal by a 58.5% to 41.5% vote, with about two-thirds of its 35,000 YRC members casting ballots, the union said on its Web site.

YRC said last month that the deal would save it about \$870 million annually; the company last week reported a \$255 million operating loss for the second quarter.

The Teamsters said the deal would provide YRC with \$1.2 billion in cost savings over the remaining 44 months of its contract.

"The contract changes enable us to reduce our cost structure, preserve capital and be more competitive in the marketplace," YRC Chairman and Chief Executive Officer Bill Zollars said in a statement.

The pay-cut agreement reached earlier this year between the two parties also gave the Teamsters a potential 15% stake in the company.

YRC Worldwide is ranked No. 4 on the Transport Topics 100 listing of U.S. and Canadian for-hire carriers.

*By Transport Topics*

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