

LEAD

# U.S. Could Be Facing Its Biggest Strike In Decades

If a deal is not reached before the labor contract expires on August 1, UPS workers will go on the biggest strike in decades.



By Yasmin Gagné *Inc. staff* [@YasminGagne](#)



UPS could soon face the largest labor stoppage the U.S. has seen in decades. More than 90 percent of the shipping company's union members voted in favor of [going on strike](#) if a deal is not reached before the current labor contract expires on August 1, [according to CNN](#).

At issue is how workers will be compensated if UPS begins to offer [delivery](#) seven days a week. [The shipping giant](#) currently does not deliver on Sundays, and began offering delivery service on Saturdays only a year ago to keep up with the demands of e-commerce shoppers. UPS is proposing a two-tier wage structure that would switch part-time workers making \$15/hour to full-time status, while existing employees would continue to earn \$36 an hour, or roughly \$75,000 a year. An opposition group within the UPS teamsters argued that there is no need for a two-tiered pay system.

The impact of a possible strike on businesses that rely on UPS to ship goods is unclear. If it happens, they may look to switch logistics providers or face delayed delivery times. Shipments UPS transports amount to about 6 percent of America's GDP. Of the more than [430,000 total UPS employees](#), about 260,000 are union members.

UPS delivers roughly 19 million shipments a day. It holds the largest market share of the U.S. among the [top three logistics providers](#) at 36 percent. The U.S. Postal Service holds 35 percent, while FedEx accounts for 17 percent.

Labor and management still have time to reach a deal, and a UPS spokesperson has said that the two sides have reached agreements on a wide range of other issues. The last time UPS experienced a strike, in 1997, 180,000 workers walked out for 16 days.



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