

UPS to close facilities in Portland and Baltimore, threatening thousands of jobs

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Take up the fight against job cuts and the sellout Teamsters bureaucrats! Join the UPS Workers Rank-and-File Committee by filling out the form below.

UPS is set to temporarily close two more of its hubs for retooling into automated facilities, employing a fraction of the labor. The two facilities are its warehouses in Baltimore, Maryland, and the Swan Island facility in Portland, Oregon.

The Baltimore hub closure has already been widely reported and will affect approximately 540 workers when the facility closes at the end of this August. But the closure of Swan Island is being reported for the first time by the WSWs on the basis of knowledgeable sources inside the building. Swan Island employs well over 1,000 people.

According to the source, Swan Island is expected to become fully automated “as of next year.”

The closures are part of an escalating assault on jobs as part of the company’s “Network of the Future.” In a meeting earlier this year with top investors, UPS executives explained this restructuring program would aim to close 200 facilities and automate “everything.” This is on top of 12,000 mostly white collar job cuts already announced this year.

The automation-driven cuts at UPS are part of a global jobs bloodbath by major corporations. US-based companies alone have already announced around 1 million layoffs since the start of last year, according to outplacement firm Challenger, Gray & Christmas. A separate study found that 4 in 10 business leaders expect artificial intelligence to be a major factor in layoffs in their industries this year. Instead of using advances in labor-saving technologies to ease the burden of work and improve living conditions for the vast majority, under capitalism they are being used to squeeze out every last ounce of profits from the

working class.

The jobs of as much as 80 percent of UPS’s inside workforce are threatened by the automation drive. According to one HR insider:

About 90 percent of the existing UPS facilities are “conventional,” meaning a single package might be touched by 10 people as it goes from truck to truck. The unloading, sorting, bagging, sorting for re-load, and physically loading a truck again are all done by union employees in a conventional building, so it is much slower and far more prone to error.

In an automated facility, the unloading is done by hand. Everything in between, the sorting, scanning, routing, et cetera, is all done by computers, and finally it is re-loaded by hand. That’s 2 people touching a package; not 10.

New automated hubs employ only a fraction the “traditional” workforce. The company’s new Velocity hub in Louisville, Kentucky, requires only 200 people to move 350,000 packages per day.

Based on this, it is reasonable to assume that the Baltimore hub will reopen with a workforce of a little more than 100 people, while Swan Island will reopen with a little more than 200.

According to UPS itself, these layoffs are made possible by “labor certainty” provided by the new Teamsters contract, which the bureaucracy rammed through its 340,000 members at UPS employing massive fraud, falsely claiming it represented a historic “victory.”

Soon after the contract was ratified, UPS began

laying off entire sort shifts at hubs around the country, including at Swan Island and Baltimore.

The Teamsters still have not even acknowledged the job cuts or the “Network of the Future.” Earlier this year, General President Sean O’Brien held a so-called webinar, lasting only a few minutes, referring vaguely to a “contract enforcement campaign.” In fact, the contract contains no provisions against facility closures or the use of technology to eliminate jobs. The company is required only to give 45 days’ notice before such cuts are carried out.

When confronted at a local meeting in Portland earlier this year by a group of workers, a member of the national bargaining team blurted out that UPS had a “right” to lay off workers.

A source in Swan Island told the WSWs that local bureaucrats were well aware of the automation plans but have not said anything to avoid a “panic”—in other words, that workers might mobilize independent of the sellout union officials to stop the layoffs.

Meanwhile, the new Teamsters administration, hailed by pseudo-left quarters as the leaders of a resurgent “reform” movement in the US trade unions, are openly courting the extreme right. O’Brien has met numerous times with Donald Trump and is slated to speak at the Republican National Convention this month, which will have the character of a fascist rally.

Neither the Democratic Socialists of America nor its house organ *Jacobin* magazine has given any accounting for how a figure whom they hailed as a key ally in the fight for “union democracy” has turned out to be a fascist sympathizer.

Meanwhile, opposition is building among the rank and file at UPS. The UPS Workers Rank-and-File Committee, formed last year to oppose the sellout contract, has issued statements demanding answers on the layoffs and calling on workers to organize themselves against the layoffs in rebellion against the union bureaucracy. In an open letter to Sean O’Brien in April, the committee declared Teamsters officials were “deliberately concealing” information on the layoffs and demanded the full release of all information the bureaucracy has on where, how and when the cuts will take place.

“The reason that we are demanding this information is so that the rank and file has access to the critical information it needs to organize a fight against layoffs

from below,” the statement declared. “We have no illusions that you and the rest of the bureaucracy will suddenly see the light and come to our side. You’ve already given your answer with your stony silence.”

The statement concluded: “We workers have every right to take all action deemed necessary to protect our jobs, regardless or whether you choose to sanction them or not. *If you will not fight the layoffs, then get out of the way so that UPS workers can do it ourselves.*”



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