

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) June 30, 1994

YELLOW CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	0-12255	48-0948788
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

10777 Barkley, P. O. Box 7563, Overland Park, Kansas	66207
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (913) 967-4300

No Changes.
(Former name or former address, if changed since last report.)

Item 5. Other Events

On June 30, 1994, Yellow Corporation (the company) announced that the union associates of its Preston Trucking Company subsidiary had approved a plan that would reduce wages in return for a share of profits if certain operating results are achieved. The associates, members of the International Brotherhood of Teamsters, voted to approve a wage reduction program that would lessen pay by seven percent in 1994, five percent in 1995 and return to standard contract wages in 1996. This plan replaced a one year, nine percent wage reduction approved in March 1993, shortly after Preston Trucking was acquired by the company.

The company indicated that the temporary reduction in wages was necessary to help complete a financial turnaround of Preston Trucking. The vote on the wage reduction provides Preston Trucking with additional time to implement permanent changes and complete the turnaround.

Preston Corporation, including Preston Trucking Company, Saia Motor Freight Line and Smalley Transportation Company, was purchased by Yellow Corporation in February 1993. Preston Trucking is a Maryland-based regional less-than-truckload carrier serving the Northeast and Central states regions. They had operating revenue of \$397 million in 1993.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

YELLOW CORPORATION
(Registrant)

Date: July 5, 1994

/s/ Phillip A. Spangler
Phillip A. Spangler
Vice President and Treasurer