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Allege Unfair Labor Practices at Three Companies

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Trucking

Striking Port Drivers in California Allege Unfair Labor Practices at Three Companies



By Rhonda Smith

April 29 — About 100 port truck drivers working as independent contractors for three drayage firms in Los Angeles County are taking part in a two-day strike to protest alleged unfair labor practices at the transportation companies, representatives of the International Brotherhood of Teamsters said April 28.

The nonunion drivers—for Green Fleet Systems LLC, Total Transportation Services Inc. and Pacific 9 Transportation Inc.—are picketing at an estimated 17 locations in or near Los Angeles. The strike began April 28 at 6 a.m. and is scheduled to end April 30 at 6 a.m.

The drivers are picketing port truck yards at their places of employment, as well as company trucks as they travel to and from the ports of Los Angeles and Long Beach, according to Barbara Maynard, spokeswoman for the Teamsters Justice for Port Drivers campaign that organized the strike. Drivers also are picketing the trucks as they arrive at the locations of drayage company customers, including a Skechers USA Inc. distribution center in Moreno Valley, Calif.; a FedEx office in Mira Loma, Calif.; and a Costco Wholesale Corp. distribution center, also in Mira Loma.

The strikes are part of an ongoing effort led by the Teamsters to persuade drayage companies nationwide to classify the drivers as direct employees of the firms instead of as independent contractors.

Teamsters: Ongoing Practice Hurts Drivers

This practice became more prevalent after the trucking industry was deregulated in 1980, IBT officials previously said (110 DLR A-8, 6/9/05).

“To get around paying unemployment insurance, workers compensation insurance and all the other taxes that come with hiring employees, somebody came up with the idea to lease the trucks

to the drivers and profess that the drivers are subcontracting to them,” Eric Tate, secretary-treasurer for Teamsters Local 848 in Southern California, told Bloomberg BNA April 29.

Classifying the drivers as independent contractors is costly, he said. Many work an average of 59 hours a week and annually earn a median net income of \$28,798, according to Justice for Port Drivers.

“The companies require the drivers to lease the trucks from them to work for [the firms],” Tate said. “Drivers have to pay for insurance, maintenance and fuel [costs]. They are not allowed to use the trucks to work for somebody else. And when they are not using the trucks, they have to park them on the company's property. In return, the company charges them for parking on the property.”

Officials at Green Fleet Systems and Total Transportation Services, both in Rancho Dominguez, Calif., and at Pacific 9 Transportation in Carson, Calif., didn't respond to Bloomberg BNA requests for comment.

Justice for Port Drivers said Pacific 9 Transportation employs about 140 drivers. Total Transportation Services employs an estimated 130 drivers, and Green Fleet Systems has about 125 port truck drivers, 90 of whom are employed by the company and 35 classified as independent contractors.

Similar Strikes Held in 2013

Nonunion drivers working as independent contractors at Green Fleet Systems and Pacific 9 Transportation and as direct employees at American Logistics International LLC conducted similar strikes Nov. 18-19 of last year. They alleged unfair labor practices and retaliation by their employers in response to the truckers' efforts to form a union (227 DLR A-10, 11/22/13). The Green Fleet drivers also conducted a strike in August.

Tate said members of the International Longshore and Warehouse Union joined the drivers on picket lines April 28, and returned to work later that day.

“We applaud their efforts,” he said. “Hopefully, that is the start of a new and strong relationship between the Teamsters and ILWU.”

In addition, Tate said the strikes are “accomplishing what we wanted to accomplish.”

“In the very near future, these lease drivers will go away,” he said, because of orders, decisions and awards by state and federal agencies in favor of the drivers.

Claims Filed by 515 Port Truck Drivers

There are an estimated 75,200 short-haul truck drivers moving about \$4 billion in cargo on and off the docks of U.S. seaports daily, the Justice for Port Drivers campaign said.

A spokesman for the California Department of Industrial Relations told Bloomberg BNA April 29 that 515 port truck drivers have filed claims with the state Division of Labor Standards Enforcement.

In addition, 32 decisions have been rendered against a total of 13 companies, he said. The total sum of the orders, decisions or awards is about \$3.8 million.

Supporters of the port truck drivers recently said the California labor commissioner's decision awarding \$2.2 million to seven truck drivers who alleged that Pacer Cartage Inc. misclassified them as independent contractors sets a precedent for future workers facing similar challenges (66 DLR A-4, 4/7/14).

In addition, Pacific 9 Transportation and port truck drivers in California, who alleged in an unfair labor practice charge filed with the National Labor Relations Board that the company tried to block their union organizing efforts, recently settled their case (55 DLR A-10, 3/21/14).

'A Long Fight.'

At the same time, Tate said Shippers Transport Express in Carson, Calif., has been willing to talk with the Teamsters to address the drivers' concerns.

In January 2013, IBT members who work as truck drivers at the Port of Los Angeles voted to ratify a three-year contract with Toll Group, an Australia-based trucking and logistics carrier (7 DLR A-10, 1/10/13).

Truck drivers working at the Port of New York and New Jersey for Toll Group voted for IBT representation last summer (138 DLR A-9, 7/18/13).

In 2005, the Teamsters ratified a contract with Maritech Leasing that covered a handful of employees at the Port of Long Beach, marking the first agreement between the union and a port trucking company in more than 20 years (110 DLR A-8, 6/9/05).

"It's been a long fight; a number of different unions have tried to help the drivers for so long," Maynard, who also is a spokeswoman in Los Angeles for the Teamsters port division, told Bloomberg BNA April 29.

"The Teamsters have tried to help before but in the last two years it just started getting so bad for the drivers that they were willing to fight back on the misclassification issue," she said. "And we started to have the breakthrough we're having now. We've really figured out what needs to be done to change this industry, and make it even possible for these guys to form a union."

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