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Why Port Drivers Keep Striking

Continued smooth sailing at ports may hinge on truck drivers getting fair share of revenue they produce

By JANICE HAHN

There is a crisis brewing at the ports of Los Angeles and Long Beach that needs to be fixed. Recently, port drivers walked off the job for two days to protest their unfair working conditions. This is the third time in eight months that port drivers in Los Angeles have gone on strike, but this time they extended their picket lines to port terminals, causing longshoremen to temporarily stop working in solidarity, costing millions of dollars in delayed cargo.

On one hand, these strikes and protests by port drivers should come as no surprise. At a time when a record number of people have given up looking for a job because our economy is not growing fast enough, when our middle-class is no longer the richest in the world, when our inflation-adjusted federal minimum wage is at an all-time low while the average CEO made \$11.7 million last year – a whopping 331 times the average worker – it is no wonder port drivers have come out of the shadows. Along with fast food, Wal-Mart, and other low-wage workers, port drivers are demanding a seat at the table to negotiate their fair share of the economic pie that they work so hard to produce.

Comments by trucking executives that port drivers should just go get another job if they don't like their current one is just absurd and completely divorced from the economic reality we live in.

On the other hand, our ports have remained one of the few sturdy pillars in our

fragile economy. The ports of Los Angeles and Long Beach have produced hundreds of thousands of middle class, unionized jobs in Southern California: the longshore workers on the docks, the building and construction trade workers who are replacing the Gerald Desmond Bridge, the railroad workers who deliver cargo across the country, the port police who ensure the free flow and protection of commerce, and the professional port staff who manage port resources and operations in both an environmentally friendly and fiscally responsible manner. This is neither by accident nor a sure thing. Would these jobs still pay middle-class wages with affordable medical insurance and a retirement pension if they were not represented by a union? I doubt it.

Likewise, imagine the boost it would give our economy if we could help bring more than 12,000 port drivers into the middle class? Truck drivers, who every day at ports across the United States haul containers of Skechers Shoes, children's bicycles bound for Wal-Mart shelves, and televisions headed to your neighborhood Costco store. These port truck drivers, who haul nearly \$4 billion in cargo every day, work long hours under dangerous working conditions. Yet at the end of working a full week, many take home less than the minimum wage. And because their employers' business expenses are deducted from their paychecks, some weeks drivers may even have negative paychecks and actually have to pay to work.

Low-road scheme

Port drivers have been left behind because for decades, trucking companies have been able to engage in an illegal misclassification scheme that until recently has gone undetected by government officials. By labeling employee drivers as “independent contractors,” these companies have avoided paying their share of Social Security and Medicare taxes, or paying any Unemployment Insurance, worker disability, and Workers’ Compensation taxes. According to a recent study by LAANE and the National Employment Law Project, the State of California lost over \$3.9 million in tax revenue because of port driver misclassification. The study also revealed a whopping \$850 million in wages being stolen from drivers’ pockets every year.

This low-road scheme obviously gives an unfair advantage to companies that misclassify drivers, and drives down wages for the handful of drivers working for companies that follow state and federal labor laws. It also strips drivers of important health and safety and labor protections, such as the right to come together to negotiate better wages and working conditions.

Fortunately, this scheme – and the industry voices fighting to maintain the

status quo – is gasping for air. Every federal and state government agency that has investigated port driver misclassification over the past couple of years has reached the same conclusion: port drivers are employees. The misclassification epidemic is so wide spread that at least half of the entire port trucking industry in California is facing some kind of litigation or government investigation because of it. While the cure is clear, the trucking companies refuse to take their medicine. Instead, they sue, intimidate, harass, and fire drivers who are cooperating with government officials. These heavy-handed tactics have just made matters worse, causing labor disruptions at a vital economic engine for our region and the nation.

From longshoremen to port police, our ports work just fine with a stable, well-trained, and well-compensated, unionized workforce. I don’t see why our port drivers don’t deserve the same treatment. When trucking company executives take their heads out of the sand, stop misclassifying their drivers, and agree to include a seat at the economic table for port drivers, then we can move past recent labor disruptions and create a vibrant and profitable port trucking industry that will be the high-road model for the nation.

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