State of Work in the Inland Empire: Transportation, Distribution, and Logistics

February 28th, 2024









Land Acknowledgement

Our presenters today respectfully acknowledge and recognize our responsibility to the original and current caretakers of this land, water, and air: the Yuhaaviatam people and all of their ancestors and descendants, past, present, and future. Today this meeting place is home to many Indigenous peoples from all over the world, and we are grateful to have the opportunity to live and work on these homelands.









SOW: Transportation, Distribution and Logistics

We thank the California Workforce Development Board and UC Workers Rights Policy Collaborative for financial support for this project.

We also thank the workers interviewed and Sonia Rana for research assistance.







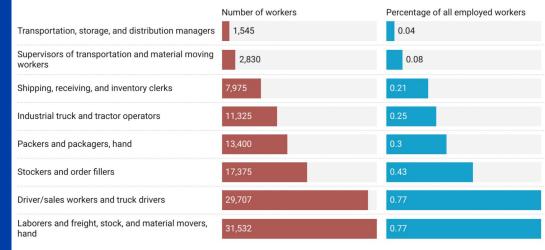


SOW: Transportation, Distribution and Logistics

- The "transportation and warehousing" industry was the 2nd largest employing industry, providing 13% of all jobs in 2021–2022
- Job growth over the next decade is expected in heavy tractor-trailer truck drivers and laborers and freight, stock, and material movers within warehouses.

Employment in selected TDL occupations

Workers employed in selected, common TDL occupations by raw number and as a percentage of the total number of employed workers in the Inland Empire. Data are restricted to employed workers ages 16-64.



Source: American Community Survey 5-Year Data, 2021 (from IPUMS) • Created with Datawrapper









Occupational Segregation

Occupational segregation in selected TDL occupations

"Occupational segregation" is the term used to describe when a demographic group is overrepresented in a particular type of work. This chart shows the percentage of Black or Latinx workers, women workers, and foreignborn workers in selected TDL occupations. It shows that Black or Latinx workers make up 61 percent of all employed workers ages 16-64 in Riverside and San Bernardino counties, but in every TDL sector occupation that we looked at, they are overrepresented. On the other hand, women are overrepresented in packer and packager jobs but underrepresented in every other occupation we examined. Women are drastically underrepresented in industrial truck and tractor (forklift and yard truck) operator jobs and truck driver jobs.

	Black or Latinx	Women	Foreign Born
Packers and packagers, hand	90	56	43
Industrial truck and tractor operators	87	9	33
Laborers and freight, stock, and material movers, hand	77	27	28
Shipping, receiving, and inventory clerks	76	37	35
Driver/sales workers and truck drivers	75	7	40
Stockers and order fillers	74	41	19
Supervisors of transportation and material moving workers	70	30	19
Other material moving workers	68	21	33
Transportation, storage, and distribution managers	65	24	23
All employed workers ages 16-64 in the IE	61	45	28

- Black and Latino workers are overrepresented in blue-collar jobs and are least represented among supervisors & managers
- Immigrant workers are overrepresented as hand packers and packagers and truck drivers/sales workers
- Equipment operation jobs are particularly male-dominated

Source: American Community Survey 5-Year Data, 2021 (from IPUMS) • Created with Datawrapper









Annual Incomes

- Except for managers, workers in the occupations we studied don't make a living wage (based on a family of 4).
- Median personal income is higher among truck drivers/sales workers compared to other blue-collar occupations.
- The majority of workers in lower-wage logistics jobs bring home less pay than the average IE worker.

Median real annual earnings for select TDL occupations

Figures for each occupation are the median total pre-tax wage and salary income (i.e., money received as an employee) per worker for the previous year. Data are limited to employed workers ages 16-64. The black bar shows the required annual income before taxes that each adult would have to make (the "living wage") to cover all basic needs in a household with two working adults and two children across Riverside and San Bernardino counties. By this measure, only transportation, storage, and distribution managers made a living wage.

Transportation, storage, and distribution managers	53,380
Living wage for a family of 4	51,137
Supervisors of transportation and material moving workers	49,737
Driver/sales workers and truck drivers	43,158
All employed workers ages 16-64 in the IE	37,092
Industrial truck and tractor operators	32,000
Shipping, receiving, and inventory clerks	30,947
Laborers and freight, stock, and material movers, hand	25,434
Stockers and order fillers	25,121
Packers and packagers, hand	23,211

The living wage for Riverside and San Bernardino counties was calculated by averaging the required annual income before taxes for a family of four in each of the two counties, then dividing that figure in half to account for two working adults.

Source: American Community Survey 5-Year Data, 2021 (from IPUMS); MIT Living Wage Calculator for Riverside County, CA, and San Bernardino County, CA, 2021 (from Archive.org) • Created with Datawrapper







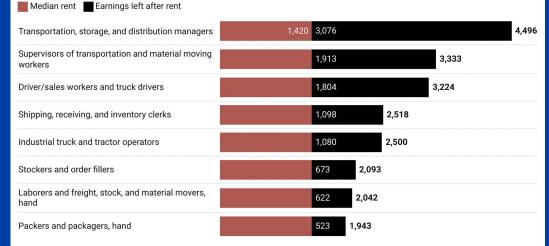


What's Left After Rent

- The three lowest-paid occupations have less than \$700 left over
- Packers and packagers end up with about \$520
- Truck drivers and supervisors end up with over \$1,000
- Managers have about \$3,000 per month left over for non-housing related expenses

What's left after rent

According to the US Department of Housing and Urban Development, a household is cost burdened if it spends more than 30 percent of its income on housing costs. For Inland Empire TDL workers in a sampling of occupations, the housing cost burden ranges from 73.1 percent for packers and packagers to 31.6 percent for transportation, storage, and distribution managers. The median monthly wage for each occupation is displayed in bold to the right of each bar.



Earnings left after rent equal the median monthly wage across the region for each occupation minus the median monthly rent for the region of \$1,420.

Source: American Community Survey 5-Year Data, 2021 (from IPUMS) • Created with Datawrapper









Community Issues Are Worker Issues

- Warehouses are disproportionately located in low-income, communities of color while Amazon's consumers are concentrated in more affluent communities. Those who spend the most money on e-commerce don't see or feel its impacts.
- In Riverside County, 61% of Latino residents live within 300 feet of a warehouse, despite making up only 46% of the population.
- Residents living near distribution centers or corridors with heavy diesel truck traffic have a higher risk of experiencing asthma or cancer.
- IE residents are more likely to be exposed to air pollution yet have lower access to health care compared to neighboring counties.









Worker Profiles: Overview

 32 in-depth interviews with current and former workers employed in the TDL sector to provide a holistic view of their experiences & concerns about job quality.

- Interviewees were diverse in their jobs, social characteristics, and geographic location where they worked.
 - Truck drivers: long haul, short haul, owner operators
 - Warehouse workers: managers, temporary/seasonal workers
- Interviews were conducted in both English & Spanish.

• Special thanks to our Interview Team: Pedro Freire, Sara Bruene, Elvira De La Torre, KeAysia Jackson & Fatima Nelson









Job Quality: Job Security and Working Conditions

- Samantha, Seasonal Warehouse Worker
 - Experienced job uncertainty due to being hired during peak seasons: "Seasonal work is basically the same as like a temp, you don't get all the benefits... you get like partial benefits... you have to work harder to prove that you're gonna be a good worker."
- Truck drivers are often misclassified as independent contractors, resulting in lower compensation, lack of access to labor rights, and increased financial responsibilities to cover their vehicle maintenance, insurance, and operation costs









Job Quality: Lack of Work-Life Balance and Physical and Mental Health Concerns

- Ivy, Warehouse Worker
 - Long and inflexible hours impact quality time with families
 "I couldn't stay because I was rarely seeing my family ... they were with my husband or child care all day... by the time I'm home they're asleep."
- Gurjant, Truck Driver
 - Long hours on the road caused physical and mental health issues "After driving for 10 years, a person's body gets tired. You eat, sit, and sleep. I got high blood pressure from driving. There's no time for exercise...[We are] constantly on the road."
- Kay, Warehouse Worker
 - Mental health concerns arose from isolation and monotonous labor
 "People look down on you. Nobody's ever motivating you or complimenting you."









Job Quality: Pay, Benefits, and Costs

- Xavier, Warehouse Worker
 - Employers motivated workers to work harder through incentives:
 "The joke is, they want you to work 10 times harder to make their department look really good. In return you're getting a 25-cent slice of <u>pizza on your break.</u>"
- Sahib, Truck Driver
 - Increased debt due to exploitative lease-to-own contracts:
 "I might not work for the next month. My truck might break down. So, the biggest thing is don't get into debt; that's how you weather through all these market fluctuations."
- Simranjit, Truck Driver
 - Drivers are paid for the time or miles they drive, excluding time they spend waiting:

"Bigger warehouses like Amazon or Walmart or Costco, my appointment will be at eight. You're waiting about an hour to even get a [dock]. By the time you get your paperwork and out the door it is about three, four hours there."









Job Quality: Skills and Opportunities for Advancement

- Jonny, Warehouse Worker
 - Lack of options and opportunities in the field:
 "Trying to find a job was hard. No one was giving me a shot, let alone hiring me, so I just took the route that my mom did... I really wasn't trying to stay in that role, but I had no choice."
- Christina, Distribution Center Worker
 - Supervisors need to be made aware of workers' wish to advance within their jobs: "I recently just had my review. And that's what I told my supervisors, that I was looking into going into cross-training into other departments just to get experience on everything."









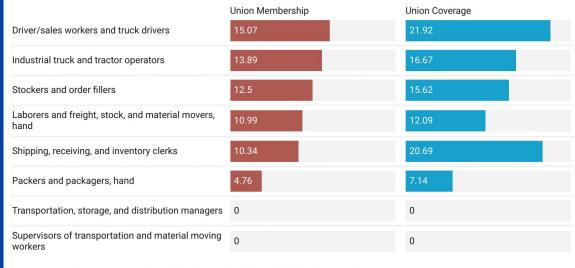
Job Quality: Empowerment and Representation

Workers are seeking to join supportive work environments and workplaces that provide them with opportunities for growth. Union contracts ensure worker voice.

 Alfonso, a Teamsters member, transitioned to a union job and received health benefits, paid vacation time, and a pathway to career advancement

Union membership and coverage in select TDL occupations

Percentage of workers who are members of unions and percentage of workers who report no union affiliation but who are covered by a union contract. Managers and supervisors often are not eligible for union membership.



Source: Current Population Survey, August 2021-August 2023 (from IPUMS) • Created with Datawrapper









TDL Worker Organizing

- The **Teamsters** have the most union members in the TDL sector. They won historic gains in the logistics sector in 2023 through their UPS nationwide collective bargaining agreement.
- The Warehouse Worker Resource Center advocates for, educates, and provides services to warehouse workers and their families.
- The Inland Empire Black Worker Center researches, organizes, and engages in workforce development efforts to address how Black workers and their families have been impacted by systemic, intergenerational discrimination, and disinvestment.
- **IE Amazon Workers United (AWU)** demands accountability from Amazon to the people who make its profits. IE AWU has staged multiple walkouts to call for pay increases and safer working conditions and to end retaliation for worker organizing.









Worker Well-Being Is Community Well-Being

Interventions must include holistic, people-centered visions to ensure workers have access to well-paying jobs, retirement benefits, and healthy & safe environments.

- **Community Benefits Agreements (CBAs):** CBAs prioritize community needs through legally binding contracts that are negotiated between developers, community organizations, and labor organizations.
- High Road Training Partnerships (HRTPs): HRTPs foster collaborations between employers, workers, and labor representatives that are driven by industry needs and guided by the expertise of workers.
- **Public Funding Provisions:** Federal, state, and regional funding requirements can encourage logistics operators and infrastructure contractors to plan projects in accordance with community needs.









Broader Policy Recommendations

Broader policy changes can address warehouse development from the perspective of land use and local economic development. National and statewide policy changes can improve and enhance labor standards across the sector.

- Restrict changes to zoning and land use
- Diversify the Inland Empire's economy
- Support sectoral bargaining
- Lessen pay inequality between wage workers and CEOs
- Strengthen labor law enforcement

Policymakers should ensure that no one has to choose between "jobs versus the environment."









Thank you!

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Panel and Q&A Discussion

Moderated by Cheylynda Barnard, IELCC Program Director

- Juan Haro, UPS, Teamsters Local 63
- Becky Lepins, Teamsters Local 1932 Training Center
- Anna Ortega, IE Amazon Workers United
- Eddie Sanchez, SoCal COSH
- Monét Warren, Inland Empire Black Worker Center









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