

THE STATE OF WORK:

# Transportation, Distribution, and Logistics in the Inland Empire



Read the full report:

<https://ielcc.ucr.edu/research>

In 2023, the Transportation, Distribution, and Logistics (TDL) sector employed the largest number of workers across the Inland Empire region (Riverside and San Bernardino counties). To evaluate the sector's impact on our region, we must consider it holistically and from the bottom up. Worker well-being is community well-being.

The report focuses on 8 TDL occupations (as identified by the U.S. Department of Labor). These occupations vary in required levels of experience, pay, and demographic representation:

- Packers and packagers, hand
- Stockers and order fillers
- Laborers and freight, stock, and material movers, hand
- Shipping, receiving, and inventory clerks
- Industrial truck and tractor operators
- Driver/sales workers and truck drivers
- Supervisors of transportation and material moving workers
- Transportation, storage, and distribution managers



The report is also based on interviews with 32 workers.

## Most TDL workers don't earn enough to live in the IE.

**“Median real annual earnings for select TDL occupations”:** key points (see chart on left)

Workers in 7 of the most common TDL occupations **do not make enough money to raise a family.**

Workers in 5 of the most common TDL occupations **earn less per year than the median income for all employed workers ages 16–64** across the IE.

Hand packers and packagers receive the lowest median annual income (\$23,211) among the 8 occupations we studied. This amount is **less than half** of what it costs to support a family with 2 working adults and 2 children.

**“What’s left after rent”:** key points (see chart on left)

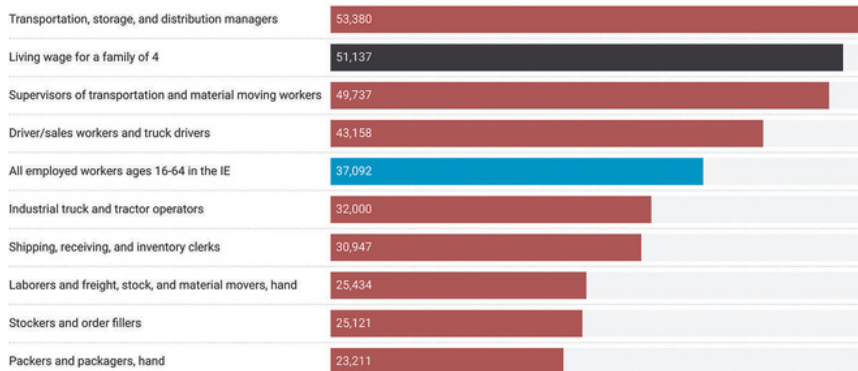
The 3 lowest-paid occupations in our data analysis (hand packers and packagers, laborers, and stockers/order fillers) have significant housing cost burdens. Workers in each of these occupations have **less than \$700 left over every month after paying rent** to pay for all other bills, such as food, transportation, utilities, childcare, health care, etc.

The contrast between managers and blue-collar TDL workers is stark. Managers can have about \$3,000 per month left over for non-housing-related expenses after paying the median monthly rent for the region. This extra income may provide managers with greater ability to afford higher-quality housing, establish savings, and/or spend money on leisure activities.

Even so, median earnings are relatively low relative to the overall cost of living in the IE, even among managers and supervisors.

### 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.

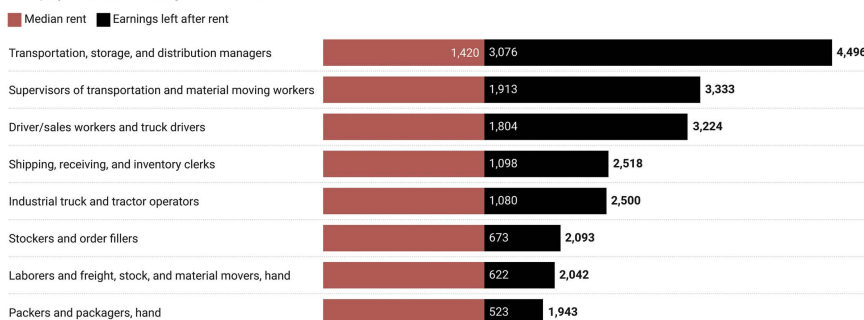


The living wage for Riverside and San Bernardino counties was calculated by averaging the required annual income before taxes for a family of four in each of the two counties, then dividing that figure in half to account for two working adults.

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

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

## Disadvantaged groups are overrepresented in TDL occupations.

**“Occupational segregation in select TDL occupations”:** key points (see chart on right)

Black or Latinx workers make up 61% of all employed workers between ages 16 through 64 in the IE, but in the 8 occupations we studied they make up 65–90% of workers.

Even though the majority of employed workers in each occupation are Black or Latinx, the percentage of Black or Latinx workers is the smallest among managers.

Immigrant workers make up significant percentages of workers in the TDL sector, but especially in the lowest-paid job, hand packers and packagers (43%).

The TDL sector has been and continues to be male dominated, but women workers are overrepresented in one of the lowest-paid TDL occupations, hand packers and packagers.

**“My union contract helped me out of poverty.” —Mateo**

Unions give workers democratic structures for their concerns to be addressed. Union contracts are the only legally enforceable way that workers can ensure their rights and interests are protected.

The Teamsters is the largest union representing TDL sector workers in Southern California. The Teamsters’ 2023 UPS contract is widely regarded as a model for the industry.

In the absence of unions, worker centers, such as the Inland Empire Black Worker Center and Warehouse Worker Resource Center, play a critical role in worker empowerment.

## Automation and electrification are rapidly changing the TDL sector. This is a key opportunity to take a different approach to the IE’s economy.

As of 2023, the IE had 1 billion square feet of warehouse space. Warehouse-related pollution has exacerbated existing social, economic, and health inequities in the region.

In spite of this, there are many holistic, people-centered paths forward if we understand that worker well-being is community well-being.

**Community benefits agreements** can create win-win situations for residents and logistics developers. Developers can work with resident-driven coalitions to meet community needs. Residents can support developers to ease environmental review and permitting processes.

**High road training partnerships (HRTPs)** can be built into community benefits agreements. HRTPs are based on collaboration between employers, labor organizations, and

### Occupational segregation in select 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 foreign-born 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

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

*People look down on you.  
Nobody’s ever motivating  
you or complimenting you.*

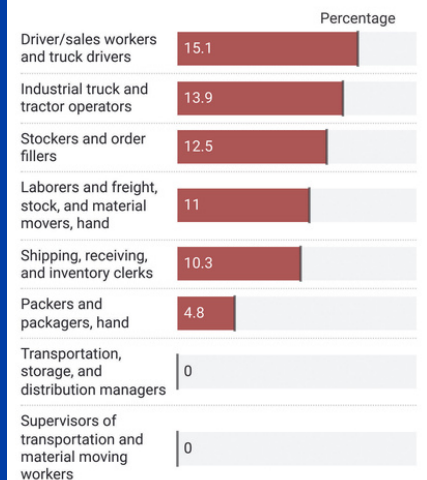
—Kay

*No one was giving me a  
shot, let alone hiring me, so  
I just took the route that  
my mom did.*

—Jonny

### Union membership in select TDL occupations

Managers and supervisors often are not eligible for union membership.



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

community organizations. They integrate equity, climate awareness, and job quality to benefit local residents who have faced systemic barriers to getting high-quality jobs.

**Union contracts** can set requirements for how employers will include and invest in workers when implementing **new technologies**. Workers in the TDL sector in the IE can also benefit from **sectoral bargaining** strategies and from state and federal policies that strengthen and expand workers’ rights.

Currently, there are many **California state and federal funding opportunities** to reduce air pollution, whether through transitioning to electric vehicles or building large-scale renewable energy projects. Policymakers can ensure that these funding opportunities are tied to training and career pathways for disadvantaged workers and high labor standards.