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Contact: Paul J. Karr, 917-208-5155

## **Major Lawsuit Seeks to Recover Substantial Damages Stolen from Paychecks of Newark's Low-Income Truck Drivers**

### ***Lawsuit Alleges Massive Wage Theft by Trucking Companies at Port Authority, NJ Congressman, Newark Councilman and Coalition Demand Action by the Port Authority***

Newark, NJ – A civil class-action lawsuit brought by port truck drivers from Ironbound Express, one of the largest port trucking companies in New Jersey, alleges that the company illegally deducted workers' compensation from the paychecks of workers who are routinely disguised as sub-contractors. The complaint was filed in the Superior Court of Essex County, New Jersey.

"I am upset that this money was stolen from me and my family," said Ramiro Gotay, a 45-year-old driver for Ironbound Express and a plaintiff in the class action lawsuit. "The trucking companies operate as if they have license to abuse workers, the community, and the environment, but now we're saying 'enough is enough.'"

Preliminary field work and a review of paycheck stubs and other documents at another half-dozen trucking companies suggest the workers' compensation scam is pervasive across companies that operate on Port Authority property and could affect thousands of workers behind the wheel.

"This is one of the worst examples of wage theft that I've seen in my entire career, and it has been victimizing the workers that literally keep America's economy moving for years," said David Tykulsker, the truck drivers' attorney. "Ironbound Express is withholding more than \$1,000 annually from the paychecks of its workers. When you earn \$28,000 a year, that kind of money makes a real difference."

Under New Jersey law, employers are barred from collecting workers' compensation premiums from employees. But trucking companies, which enjoy little oversight and regulation at port facilities, wrongly label their truck drivers as "independent contractors" in a scheme to keep wages low, avoid basic workplace and safety obligations, and strip the workforce of their right to collectively bargain. The U.S. Department of Labor says the growing employer tactic officially known as "misclassification" further cheats cash-strapped local, state, and federal government out of payroll and other taxes.

"I applaud these drivers for standing up for their rights today and for shining a light on the broken port trucking system that allows their hard earned wages to be stolen from them," said Congressman Donald Payne (D-NJ). "I pledge to continue to stand with the workers as they fight for their rights - and to fight against programs that are designed to push drivers further into poverty. The Port Authority has the responsibility to make sure we have a safe clean trucking system to grow our port into the future, and that responsibility starts with using scarce federal dollars more effectively and ensuring workers are not deprived of their wages and rights."

A coalition of environmental, labor, community, and faith-based organizations that advocates for reform in the port trucking industry pressed the Port Authority to issue a formal resolution to denounce unscrupulous employer activity - including misclassification - and step up enforcement on port property. The alliance is the local arm of the nationwide 150 organization strong Coalition for Clean & Safe Ports and includes the New Jersey Environmental Justice Alliance, the New Jersey Environmental Federation, the Teamsters, and GreenFaith.

“The system that allows trucking companies to rob truck drivers of their hard-earned wages and pushes all the costs of doing business on workers is the culprit behind all this air pollution,” said Ana Baptista the Ironbound Community Corporation. “We are launching a series of port tours and truck counts in communities near ports throughout the region to educate residents about the real cause behind increasing rates of asthma, heart disease and premature deaths, and what the Port Authority needs to do about it.”

Port truck drivers and their allies have embarked on a campaign in port cities coast to coast to tackle the dual economic and environmental crises created by an industry that notoriously enjoys little regulation or oversight. U.S. Rep. Jerrold Nadler (D-NY) has spearheaded the Federal Clean Ports Act of 2011. State legislation aimed at cracking down on misclassification in port trucking has also been introduced in New York and New Jersey, as well as California.

“The current system has flaws which has led to abuses like these illegal workers’ compensation deductions,” said New Jersey Assemblyman John Wisniewski “I introduced A-4146, the Port Truck Drivers’ Rights Act, to make sure that employers play by the rules and that port truck drivers are treated fairly.”

"Misclassification is endemic in the trucking industry and I commend these workers for fighting for their rights and their hard-earned wages," said New York Assemblyman Rory Lancman, Chair of the Subcommittee on Workplace Safety and sponsor of the New York State Commercial Goods Transportation Industry Fair Play Act.

Teamster Vice President Fred Potter, the New Jersey-based head of the union’s Port Division, noted that worker unrest was growing due to mistreatment, including a recent successful work stoppage after a driver was fired for drinking from the company’s water fountain. “Together, we will put a stop to the Third World wages and working conditions. We can and must build a first-rate world class port that delivers good jobs, clean air, environmental justice and economic prosperity for all.”

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