

For Immediate Release: Tuesday, January 3, 2012
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Labor Board Sides with American Truck Drivers in Struggle with Australian Employer to End Sweatshop Conditions, Anti-Union Saga

Violations Add New Layer of Risks to Operations in Key First Test for Toll Group's New CEO

LOS ANGELES – In another blow to Guess? and Polo Ralph Lauren's trucking carrier, the [local region](#) of the National Labor Relations Board (NLRB) is preparing to issue a highly anticipated complaint against Australia's Toll Group for committing a range of unfair labor practices to retaliate against its U.S. employees for union organizing. The violations will force the \$8.6 billion global logistics giant to face federal trial if management does not remedy the charges of intimidation, harassment, and surveillance in full accordance with the law [*see nlr.gov*].

The port truck drivers welcomed the news of their latest victory by immediately announcing plans to lead an early new year's delegation with clergy and community advocates to implore Toll's local management to make a resolution to recognize their union. Some 62 drivers out of 75 have already [signed a petition](#) to their Melbourne-based employer seeking their right to collectively bargain to end [well-documented degrading and discriminatory workplace practices](#) that have sparked public comparisons to Jim Crow at Toll's Southern California facilities.

"They wanted us to keep our heads down but instead we took action together and now the tables are turned," said Luis Alay, the father of a toddler and 11-year-old with 15 years of port hauling experience. "Management should pay a price for treating us like second-class citizens. We work long, hard hours away from our families. Don't truck drivers deserve respect and dignity for all that we do to help our company succeed?"

Mr. Alay was one of the first drivers to file a series of charges last September. The board found he was suspended under phony pretenses and sided with several of his co-workers who presented evidence that they were wrongly singled out for interrogation and other illegal workplace bullying because they were identified as pro-union.

Toll – which provides transportation services for America's name-brand fashion and athletic lines – also faced additional allegations it let go of one-third of its workforce prior to Black Friday due to [blatant anti-union retaliation following worker protests](#), not because of some sudden "downturn" before the busy Christmas rush. But right after the workers cried foul to the [Australian Consul-General](#), and the lead NLRB attorney publicly revealed the matter was a "[priority investigation](#)" for her agency that could warrant injunctive relief and back pay, the company [reinstated](#) 10 employees. Even the media [openly speculated](#) it as a clear maneuver to thwart the board's ability to conclude wrongdoing: "So strange were the layoffs, and the rehiring..." led one daily newspaper.

While the workers consider appealing the dismissal, 16 Toll employees remain unemployed while those on the job report being dispatched with curiously high overtime. Toll told the axed drivers they are only eligible to be called back for 90 days.

Public scrutiny over the sackings and the timing of the labor board's findings against Toll together invite what is sure to be a closely-watched test of leadership for Brian Kruger, the company's ex-CFO, who takes the helm as the newly minted chief executive January 1. One Australian trade journalist [noted](#), "[Kruger] may have little choice but to cast his eye to the City of Angels to deal with the festering workplace dispute."

Additional Background

Brian Kruger's predecessor, Mr. Paul Little, has been [widely criticized](#) for instigating the contentious approach to labor relations in the U.S., a key expansion market for the profitable corporation that has long benefited from a mutually constructive relationship with its 12,000 unionized employees Down Under. Toll negotiated a master contract with members of Australia's Transport Workers Union that increases workplace and public safety and provides family wages and benefits.

In contrast, Toll's Los Angeles drivers earn hourly wages 32% less than the average truck driver in California. The non-union workers further cite health care as another reason they are simply seeking the contract protection afforded to their Australian counterparts and representation by the Teamsters. They describe the company's options akin to that of Wal-Mart – wholly inadequate and wildly unaffordable – and many say they rely on public emergency rooms and prayer.

In solidarity, TWU rank-and-file have [condemned their joint employer](#) for subjecting their U.S. "workmates" to sweatshop treatment. Their struggle also captured the eye of one of Australia's top lawmakers who visited Los Angeles. Upon return, Senator Glenn Sterle blasted the iconic Oz brand from [the floor of Parliament](#): "Literally, the working conditions [Toll] imposes on workers are nothing short of disgraceful."

Toll's investors have seen their largesse spent on a globe-gobbling acquisition strategy. Mr. Kruger has offered his vision of "One Toll" – a singular culture, set of standards, and operating principals to unify the conglomerate's holdings – to analysts and shareholders critical of the low returns and high risks that stem from too-rapid growth.

Toll's practices were recently highlighted in an [open letter](#) from America's port truck drivers that went viral amidst the Occupy Wall Street port shutdown events in Dec. 12. Ever since, demonstrators have been joining drivers and advocates [to leaflet consumers](#) in front of Toll's customer's retail stores about the company's working conditions.

For a comprehensive media account and chronology of events, see:
[Raising Hell in the City of Angels](#), Australasian Transport News, December, 2011

More resources for the media and shareholders can be found at:
www.GrimTruthAtTollGroup.com

Toll drivers are available for interviews in English and Spanish, as well as officials from the [Teamsters](#), [Transport Workers Union](#), and [Coalition for Clean & Safe Ports](#).

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