

Decision No. 93767 NOV 13 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own
 motion into the definition, criteria
 and procedure for determining
 prevailing wages for use in the
 establishment of carrier-filed rates

ORIGINAL

OII 53
(Filed July 3, 1979)ORDER ADOPTING STAFF PREVAILING
 WAGE REPORT

In this order we adopt the Transportation Division's recently published prevailing wage survey report (Report 181-2, dated September, 1981) for use in the general commodities trucking reregulation program. Concurrently, we order discontinuation of the use of wage levels of named union agreements as interim prevailing wages.

On June 2, 1981 we issued Decision (D.) 93183 in this proceeding. Among other things, that decision granted a petition filed by the California Teamsters Public Affairs Council (Teamsters) requesting a stay of the effectivity of an earlier staff prevailing wage report (Report 181-1, dated May, 1981). In that decision we found that questions raised by Teamsters, Department of Industrial Relations (D.I.R.) and California Manufacturers Association (CMA) after the publication of Report 181-1 warranted a review of the survey techniques to determine whether the definitions, criteria and procedures established in D. 91265 were followed by the staff ^{1/}. We therefore directed our staff to hold workshops at which the staff's survey procedures could be explained and discussed in an informal and constructive setting.

^{1/} These issues included the timeliness of the first report and the underlying survey, whether the resulting data was too high or too low, whether urban areas were appropriately surveyed and whether the concept of "the same rate" was properly applied.

The Transportation Division held these workshops in San Francisco on August 5, 1981 and October 14, 1981. The October workshop was held in order for interested parties to comment on or criticize Report 181-2, which was mailed to all appearances in Case 5432, Petition 884, et al., (the general freight reregulation proceeding) and in OII 53, as well as more than 2,400 carriers. General commodities carriers and other interested parties were notified of the workshops and invited to participate. On both occasions representatives of Teamsters, DTR, trucking and shipper associations, transportation attorneys and consultants and individual carriers and shippers participated. As a result of the workshops and the recent issuance of the second report, we are now prepared to address the issues mentioned above, as well as additional issues that surfaced at the workshops.

The first issue concerns the timing of surveys and issuance of reports based on those surveys. As we stated in D. 93183, our prevailing wage plan envisioned at most a three-month delay between the effective date of Teamster contract wage increases and issuance of a prevailing wage report. In fact, the eight-month delay in issuance of Report 181-1 was a principal reason for our order staying the effectivity of that report. We believe that the three-month time frame from the survey date to the issuance of a report should be retained. The staff's recent experience convinces us that this is realistic. Survey forms were mailed to carrier in late June, 1981, asking carriers to report on wage levels in effect as of July 1, 1981. Within a three-month period, Report 181-2 was prepared and mailed to carriers. It is reasonable to expect that as the staff and the industry gain additional experience with the survey, this timing can be shortened.

A second part of the timing issue is the relation between survey dates and the effective date of Teamster wage and benefit increases. We had originally envisioned semi-annual survey dates coinciding with union contract increases taking place each April and October. Our staff has encountered two problems with this approach. First, not all Teamster contract provisions are scheduled to change on the same dates. For example, the National Master Freight Agreement contract levels were increased on April 1, 1981, while the California Intrastate Truckload Supplemental Agreement changes took place during May and June. Had the recent survey taken place in April it would have failed to reflect increases granted at several different dates in May and June to employees covered by the latter agreement. Additionally, many important Teamster agreements will expire soon and will be the subject of negotiations. We cannot know with certainty that future contracts will provide for increases occurring on April 1 and October 1 of each year. The second problem is the non-union segment of the labor market. If the survey measures levels as of the effective date of Teamster agreement increases, it will not account for increases granted by non-union employers shortly afterwards in response to union increases to remain competitive in the labor market.

Accordingly, we will modify our plan for the timing of prevailing wage surveys to the following extent. Surveys will be conducted regularly on an approximate twice-a-year basis to ensure that at all times currently published prevailing wages are as up to date as possible. The precise timing of survey dates, however, will be left to the staff, after consultation with interested parties. This approach will permit staff to adjust survey dates to future contract wage revision dates under Teamster agreements. This approach will result in a more accurate portrayal of labor market changes as they occur than if a rigid April - October schedule is invariably imposed. It remains our intention that to the maximum extent possible current prevailing wage publications will reflect current labor market conditions and not past history.

Two important issues that arose after Report 181-1 was issued are the appropriate labor use factors to be used in rate justification and the related issue of whether premium pay should be used. There was extensive discussion of these issues at the August workshop.

In addition to reporting on the prevailing wage elements measured by survey, Report 181-1 contained numerous examples of how those elements might be used by a carrier in the preparation of a justification statement. All of the examples, which were intended as an aid to interested parties, followed the same format. In particular, each of the examples used 2400 annual work hours per employee as a denominator for the allocation of fringe benefit expenses, and none included any provision for recovery of premium pay expenses resulting from overtime work. The 2400 hour figure was alleged to be unrealistically high resulting in unrealistically low total labor cost examples, particularly since no provision was made for premium pay. It was suggested that a uniform or prevailing annual hours figure be developed by the staff.

The staff pointed out that 2400 hours was selected solely for illustrative purposes and was not intended to be necessarily representative as a typical or reasonable industry-wide average. The staff intended that in actual practice carriers would be required to present actual work hours based on their own experience. In the staff's view, employee annual work hours are in the nature of productivity factors which ought properly to reflect individual carrier operating conditions (just as other, non-labor productivity factors do under our reregulation program of carrier-established rates). Therefore, staff asserted uniform values should not be assigned or imputed. The staff contended that annual work hours does not fall into the category of employer - employee negotiated items and therefore should not be considered a prevailing wage element.

Notwithstanding its contentions concerning annual hours, the staff recognized that in most circumstances an employee working 2400 hours per year would be receiving premium rates of pay for some of those hours. The staff further recognized that there is a necessary relationship between annual hours worked and paid time off enjoyed as a fringe benefit. It follows that if a carrier imputes a minimum number of paid days not worked (vacation, holidays, sick and funeral leave) per year, there are fewer available work days in a year on which to compute work hours. Accordingly, the staff modified the sample labor cost presentation for the second prevailing wage report.

We believe that the modified staff sample presentations of total labor costs in Report 181-2 represent a proper resolution of the twin issues of annual hours and premium pay. The presentation of two alternative total cost developments for the same employee category, using the same prevailing wage elements, emphasizes that these are samples only, and that carriers should present total labor costs by combining prevailing wage elements with their own cost experience. At the same time, carriers are provided with a methodology for doing so. Specifically, a procedure for combining prevailing wage elements of paid time off with a carrier's own payroll records is set forth along with a procedure for handling premium pay. We note that no objections to the staff's methods for handling annual hours and premium pay were raised when they were presented at the second workshop.

Another issue that arose during the workshops was the proper delineation of labor market segments. In particular it was suggested that the staff's category for statewide line drivers of five-axle equipment is too broad because it improperly combines drivers working under the Teamsters' California Intrastate Truckload Supplemental Agreement with drivers working under the Western States Area Over-The-Road Motor Freight Supplemental Agreement. These two agreements involve different operating conditions and different wage levels.

We believe the sixteen driver categories and three platform worker categories used by the staff follow the criteria we established in D. 91265. In that decision we concluded that there should be a relatively limited number of employee categories, based on equipment type operated, line versus pickup and delivery work, and geographic zones. Given a limited number of categories, it is inevitable that a diversity of employee types will be included in each one. This is particularly so in the mentioned case of line drivers. Included in this category, in addition to the Over-The-Road and Truckload Supplement drivers already mentioned are peddle run drivers, short line drivers, drivers working under a variety of other union agreements as well as non-union drivers, all on a statewide basis. We note in connection with this issue that there is no disagreement with the staff's placement of drivers into line versus pickup and delivery categories.

There were three additional issues which were cited in D. 93183 as having been raised by interested parties shortly after Report 181-1 was issued. These are:

1. Whether the concept of "same rate" was properly applied when determining whether modal or average values should be used.
2. Whether prevailing wage data should be obtained from employers in certain urban areas.
3. Whether the resulting data published in Report 181-1 is too high or too low.

There was little discussion or controversy concerning these issues at the staff's workshops. There is no need now for extensive discussion on our part. The "same rate" means the exact "same rate" under federal (Davis-Bacon) prevailing wage concepts. We adhere to our decision to survey all carriers, even in urban areas. Therefore, with respect to the first two issues, we find that the staff correctly followed guidelines in D. 91265. The third issue is now made moot by the issuance of a new report.

There are two additional matters requiring our consideration. Shortly after publication of Report 181-2 our staff discovered certain errors in Table 3 of the report. A revised Table 3 containing the necessary corrections is included in the appendix to this decision.

The other matter concerns the issuance of future prevailing wage reports. Our original prevailing wage program contemplated the routine issuance of reports by the staff without necessity for formal action on our part. We are now satisfied that substantive issues of methodology have been resolved and that future surveys will be of a routine nature. Requiring formal action would only serve to delay issuance of reports in an area where time is of the essence. Minor, technical refinements of a non-substantive character are to be expected and will be made informally. It was suggested at the initial workshops that the workshop process would be valuable for keeping interested parties informed and involved in the survey process. We endorse the concept in the belief that it is consistent with the delegation of the prevailing wage survey program to the staff.

Findings of Fact

1. Carriers are presently required under D. 91265 to use, for rate reduction justification statement purposes, the wage levels in specified union agreements as prevailing wages on an interim basis.
2. The Transportation Division staff recently published an updated prevailing wage report designated as Report 181-2 and dated September, 1981. The report was mailed to all appearances in Case 5432, Petition 884, et al and in OII 53, and to general commodities carriers.
3. Report 181-2, as modified, reports the results of a recent staff

survey of trucking employers and reflects the wage and fringe benefit levels in effect as of July 1, 1981.

4. Report 181-2 included the effects of April 1, 1981 Teamster agreement wage increases and other wage increases that took place up to July 1, 1981.

5. The effectivity of an earlier prevailing wage report designated as Report 181-1 was stayed in D. 93183.

6. There is no need for further consideration of Report 181-1 as it was superseded by Report 181-2.

7. The Transportation Division Staff conducted two workshops in which all interested parties were invited to participate. The second workshop was held after publication of Report 181-2 in order for interested parties to comment on or criticize the report.

8. The workshops provided an opportunity for all interested parties to review the staff's survey and reporting techniques; at the second workshop, no objection was raised to the staff's proposed solutions to problems discussed in the first workshop. No person has written the Transportation Division raising issues in response to the publication of Report 181-2.

9. The Commission cannot know exactly future contract wage revision dates under Teamster agreements soon to be renegotiated.

10. The staff's survey methodology and the issuance of Report 181-2 are in accordance with the definition, criteria and procedure for determining prevailing wages that were established by D. 91265, as modified by the order herein.

11. In addition to setting forth prevailing wage data, Report 181-2 sets out procedures to be used by carriers in the development and computation of annual work hours and premium pay expense.

12. There is no need for the issuance of future prevailing wage reports to be formally approved or adopted by the Commission.

13. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

14. The following order should be made effective as soon as mailing to carriers can be effected as there is an immediate need for adoption of updated prevailing wages to replace the interim use of named labor agreements.

Conclusions of Law

1. The Commission should approve and adopt the Transportation Division's Prevailing Wage Report 181-2.

2. The use of Teamster agreements for rate justification should be discontinued concurrently with the adoption of Report 181-2.

3. The precise timing of future semiannual surveys should be left to staff to determine in consultation with interested parties.

O R D E R

IT IS ORDERED that:

1. Effective with the effective date of this order, the Transportation Division's Prevailing Wage Report 181-2 dated September, 1981, attached hereto as Appendix A, is approved and adopted for use in the general freight regulatory program.

2. The use of Report 181-2 shall remain in effect until it is superseded by future prevailing wage reports for general commodities issued by the Transportation Division.

3. The interim use of Teamster agreements ordered by Ordering Paragraph 1 of Decision 93183 is discontinued effective with the effective date of this order.

4. The staff is directed to conduct future prevailing wage surveys and issue reports based on the principles enunciated in Decision 91265 and herein.

5. Order Instituting Investigation No. 53 is concluded.

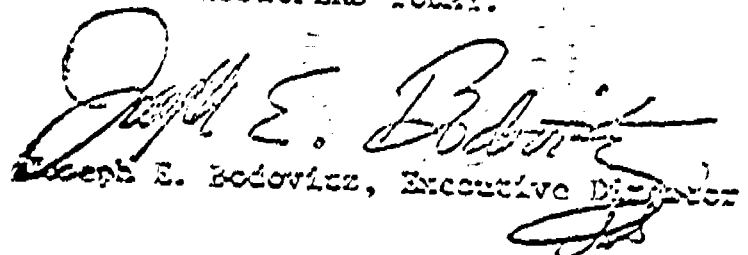
6. A copy of this decision shall be served on all appearances in OII 53, all appearances in Case No. 5432, Petition 884, et al., and all highway carriers of general commodities.

This order becomes effective ten days from today.

Dated NOV 13 1981, 1981 at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. CRAVELLE
LEONARD M. CRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director

REPORT 181-2

**HIGHWAY CARRIERS
PREVAILING WAGE REPORT
GENERAL COMMODITIES**

**California Public Utilities Commission
Transportation Division
Freight Economics Branch**



San Francisco, California

September 1981

**JEROME PARKE
SENIOR TRANSPORTATION ENGINEER**

APPENDIX A

INTRODUCTION

This is the second in a series of prevailing wage reports to be issued by the Transportation Division of the California Public Utilities Commission. The report covers the prevailing wages and related benefits (as of July 1, 1981) earned by drivers and platform workers employed in the general freight segment of the California trucking industry. The Commission, by its Decision 91265, directed the staff to publish prevailing wage data semiannually. The prevailing wage data is to be used by highway carriers as part of their justification of transportation rates filed with the Commission, and in evaluating rates which are the subject of a complaint or a petition for suspension and investigation.

SURVEY METHODS

The Transportation Division mailed a prevailing wage questionnaire form to all highway carriers earning over \$50,000 gross operating revenue per year from intrastate transportation of general commodities subject to rate regulation. This selection of carriers was made using the Commission's computerized "Revenue Distribution" file. Carriers were asked to report the base rates of pay and related fringe benefits earned by their driver and platform employees, and the number of employees in each classification. The questionnaire provided that the data be reported according to geographical area, type of trucking equipment operated, and type of service (pickup and delivery, line driving, and platform work).

Data from the completed questionnaires was edited and entered into a permanent computer file. A program was then developed to obtain prevailing wages and related benefits according to the criteria established by the Commission in Decision 91265.

WHEN TO USE PREVAILING WAGES

This report sets for the the following prevailing wage elements:

1. Base wage - per hour or mile
2. Holidays - days per year
3. Sick and funeral leave - days per year
4. Vacation - days per year
5. Health and welfare - cost per month
6. Pension - cost per week

Rate reduction filings which are below both the levels of the transition tariffs and the rates of competing carriers must be accompanied by cost justification statements. In preparing these statements, carriers must use the prevailing wage elements, not their actual labor costs, if their actual labor costs are lower than the prevailing costs in this report. If their actual labor costs are higher than the prevailing labor costs, their actual labor costs should be used. It should be noted that except for prevailing wage labor cost elements, carriers should use their actual costs for rate justification.

In all cases the prevailing wage costs in this report are to be used only for justifying or evaluating trucking rates. There is no Commission requirement that the prevailing wages and fringe benefits in this report be paid to employees. The Public Utilities Commission does not regulate the level of employee compensation.

TRANSPORTATION SUBJECT TO THIS REPORT

The prevailing wages in this report are to be used only in connection with transportation of general freight. Technically, the report applies to transportation subject to the Commission's Transition Tariffs 1-B, 2, 9-B, 15 and 19. Thus, it does not apply to specialized areas such as dump truck transportation, petroleum and vacuum tank truck transportation, agricultural commodities including livestock, cement in bulk, used household goods, uncrated new furniture, mobile homes and truckaway hauling of automobiles. Furthermore, the report does not apply to "rate exempt" transportation listed in the Commission's publication, "Commodities and Geographic Areas Exempt from Rate Regulation Within the Permissive Scope of Highway Contract Carrier Operations." Finally, the report does not apply to messenger carriers transporting small shipments as defined in Decision 91265.

EXPLANATION OF TABLE 3

Table 3 on page 5 contains the results of the prevailing wage survey. It sets forth the six prevailing wage elements for drivers and platform workers according to line or pickup and delivery (P.U.D.) work, geographical area and equipment type. For purposes of this prevailing wage report, all drivers will be classified as performing either line work or P.U.D. work. These terms are defined below.

1. LINE WORK means transportation:

- (a) between a point of origin and a point of destination without passing through carrier's terminal enroute; or
- (b) between carrier's intercity terminals; or
- (c) from carrier's terminal to point of destination which is 30 miles or more distant; or
- (d) from a point of origin which is 30 miles or more distant to carrier's terminal from which a local delivery will be made.

2. PICK UP OR DELIVERY WORK means transportation:

- (a) from a point of origin to a carrier's local terminal before line work transportation; or
- (b) from carrier's terminal after line work to a local point of destination; or
- (c) between a local point of origin and a local point of destination passing through carrier's terminal enroute.

Decision 91265 provided for the development of prevailing wage data on a statewide basis for line work, and according to three geographic zones for pickup and delivery work, designated as the Greater Bay area, the Los Angeles metropolitan area and the valley area of the state or those portions thereof not included in the first two zones. For this report, these same zones have been re-designated as the Central Coastal Territory, Southern California Territory and Valley and Northern Territory, respectively. These territories are described below:

- 1. Central Coastal Territory consists of the counties of Mendocino,

APPENDIX A

Lake, Sonoma, Napa, Solano, Marin, Contra Costa, San Francisco, San Mateo, Alameda, Santa Clara, Santa Cruz, Monterey and San Benito.

2. Southern California Territory consists of the counties of San Luis Obispo, Santa Barbara, Ventura, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Imperial, Inyo and Mono.
3. Valley and Northern Territory consists of the remainder of the State of California.

A map depicting these territorial descriptions is included as an appendix to this report.

Decision 91265 also provided that driver prevailing wage data should be reported according to equipment type operated. Table 1 shows for each driver work type classification and for each territory the prevailing wage data according to equipment type. Two-axle equipment refers to any two-axle straight truck. Three, four and five-axle equipment refer both to trucks and to combinations of trucks and trailers and tractors with trailing equipment. For any unit of equipment involving six or more axles, the five-axle prevailing wage data should be used.

DEVELOPMENT OF TOTAL LABOR COST

The prevailing wage survey included six elements of labor costs which are negotiated by the employers and employees. However, in developing total labor costs for rate justification, carriers will be required to account for all other elements of labor cost as well, based on their own costs and operating experience. For example, there are labor costs which arise from statutory requirements such as social security taxes, state and federal unemployment insurance and Worker's Compensation Insurance. In some circumstances, government regulations require the payment of premium wage rates for overtime work. These costs must be reflected in total cost development whenever they are incurred or required to be paid.

Total labor cost development requires consideration of the employee's total productive base, which is usually defined in terms of annual hours worked. Determination of annual work hours is a relatively simple process. An example of how to compute annual hours for a carrier with statewide five-axle line drivers, employed on full time basis, five days per week, with no overtime, is shown below:

TABLE 1

1. Days per year.....	365.0
2. Weekend days.....	<u>-104.0</u>
3. Available workdays.....	261.0
4. Paid days not worked (prevailing wage elements from Page 5)	
Holiday.....	7.26
Sick Leave.....	2.70
Vacation.....	<u>10.93</u>
	20.89 Round to
5. Actual work days.....	<u>240.1</u>
6. Hours per day.....	<u>x8</u>
7. Annual hours worked.....	<u><u>1920.8</u></u>

The sample table on page 6 presents a total labor cost development using 1920.8 annual hours.

APPENDIX A

Carriers with payroll records or other data showing that drivers work other than eight hours per day would employ their own figures. For example, if a carrier's payroll records showed that its statewide five-axle line drivers worked an average of two hours overtime for each day worked throughout the year, annual hours would be computed as follows:

TABLE 2

1. Actual work/days (from Table 1).....	240.1
2. Hours per day (8 straight time & 2 overtime).....	<u>x10.0</u>
3. Annual hours worked.....	<u>2401.0</u>

The sample table on page 7 presents a total labor cost development using 2401 annual hours. It should be noted that this table (Example II) includes a cost component to reflect premium pay for overtime hours worked. Rate reduction justification statements based on annual work hours in excess of the straight time hours computed using the method shown in Table 1 will be carefully scrutinized. Such statements should include either a cost element for premium pay or a showing that premium pay is not required in the transportation operations under consideration.

Carriers without sufficient payroll records or other data to show actual hours worked would use 1920.8 annual hours (for statewide five-axle line drivers) in their total cost development.

The tables on pages 6 and 7 provide examples of total labor cost development for line drivers. The cost development in these tables uses the six prevailing wage factors and includes payroll taxes and Worker's Compensation Insurance (using manual rates and a selected experience modifier). These tables are intended to provide a suggested format for cost development, and are not required to be used. If necessary, carriers may adopt their own format for labor cost development as long as the prevailing wage elements are utilized and all other labor costs are reflected.

TABLE 3 (Revised)
 GENERAL FREIGHT
 PREVAILING RATES OF PAY AND FRINGE BENEFITS
 AS OF JULY 1, 1981

LINE NO.	ITEM	P.U.D. DRIVER							
		GENERAL COASTAL TERR.				VALLEY & NORTHERN TERR.			
		2 AXLES	3 AXLES	4 AXLES	5 AXLES	2 AXLES	3 AXLES	4 AXLES	5 AXLES
1.	Base Wage - in dollars	\$ 13.07	\$ 13.07	\$ 13.07	\$ 13.19	\$ 12.89	\$ 12.89	\$ 13.02	\$ 10.51
2.	Holidays - days/year	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
3.	Sick & Funeral Leave - days/yr.	8.84	14.00	10.83	9.69	8.00	8.00	8.00	3.42
4.	Vacation - days/year	15.00	15.36	15.47	16.57	15.00	14.72	15.00	12.28
5.	Health & Welfare cost/mo. (\$)	\$ 140.37	\$ 154.37	\$ 191.70	\$ 158.50	\$ 174.90	\$ 174.90	\$ 174.90	\$ 174.90
6.	Pension cost/week (\$)	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40

LINE NO.	ITEM	P.U.D. DRIVER				PLATEAU TERRITORY		
		SOUTHERN CALIF. TERR.				WEST	VALLEY	SOUTH TERR.
		2 AXLES	3 AXLES	4 AXLES	5 AXLES			
1.	Base Wage - in dollars	\$ 9.93	\$ 12.89	\$ 13.02	\$ 13.02	\$ 13.07	\$ 12.89	\$ 12.89
2.	Holidays - days/year	8.65	12.00	12.00	12.00	12.00	11.00	12.00
3.	Sick & Funeral Leave days/yr.	4.53	5.00	4.38	4.61	14.00	8.00	8.00
4.	Vacation - days/year	10.55	12.03	11.81	12.92	12.96	12.73	10.77
5.	Health & Welfare cost/mo. (\$)	\$ 111.40	\$ 174.90	\$ 130.54	\$ 174.90	\$ 166.49	\$ 174.90	\$ 174.90
6.	Pension cost/week (\$)	\$ 24.63	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40

LINE NO.	ITEM	LINE WORK - TRUCK DRIVER - STATEWIDE							
		2 AXLES		3 AXLES		4 AXLES		5 AXLES	
		HOURLY	MILEAGE	HOURLY	MILEAGE	HOURLY	MILEAGE	HOURLY	MILEAGE
1.	Base Wage - in dollars	\$ 8.50		\$ 8.75	\$ 0.23	\$ 12.89	\$ 0.31	\$ 9.88	\$ 0.25
2.	Holidays - days/year	6.00	None	6.44	6.44	11.00	11.00	7.26	7.26
3.	Sick Leave - days/year	2.00	Reported	2.18	2.18	8.00	8.00	2.70	2.70
4.	Vacation - days/yr.	5.00		7.97	7.97	15.00	15.00	10.93	10.93
5.	Health & Welfare cost/mo. (\$)	\$ 61.65		\$ 111.52	\$ 111.52	\$ 174.90	\$ 174.90	\$ 174.90	\$ 174.90
6.	Pension cost/week (\$)	\$ 7.31		\$ 12.42	\$ 12.42	\$ 50.40	\$ 50.40	\$ 50.40	\$ 50.40

OH 53

APPENDIX A

TOTAL LABOR COST DEVELOPMENT
Using prevailing wage elements

LINE WORK TRUCK DRIVER
TRUCK OR TRACTOR DRIVER, 5 AXLES
STATSWIDE
FULL TIME DRIVER, 8 HOURS PER DAY STRAIGHT TIME
NO OVERTIME HOURS

AS OF JULY 1, 1961

<u>Line</u>	<u>Item</u>	<u>Hourly Amount</u>	<u>Mileage Amount</u>
1	Base wage.....	\$ 9.8800	\$ 0.2500
2	Holiday-sick-funeral leave (4.1483% X L.1).....	.4099	0.0104
3	Vacation(4.5523% X L.1).....	.4498	0.0114
4	Subtotal.....	\$ 10.7397	\$ 0.2718
5	Health, welfare & pension.....	2.4571	0.0491
6	Prevailing wage cost - Subtotal.....	\$ 13.1968	\$ 0.3209
7	Payroll taxes.....	0.8610	0.0172
8	Worker's Comp. Ins. (10.2633% X L.4).....	<u>1.1022</u>	<u>0.0279</u>
	Total labor cost.....	\$ 15.1600	\$ 0.3660
10	Holidays	* 7.26 days/yr. X 8)	} 79.68 Hrs. ÷ 1920.8 = 4.1483%
11	Sick & funeral leave	* 2.70 days/yr. X 8)	
12	Vacation	* 10.93 days/yr. X 8 = 87.44 Hrs. ÷ 1920.8 = 4.5523%	
13	Health & Welfare	* \$ 174.90/mo. X 12)	} \$4,719.60 ÷ 1920.8 = \$2.4571 or \$2.4571/50 mph = \$0.0491
14	Pension	* 50.40/wk. X 52)	
15	Payroll taxes		
	a. FICA	** 6.65% X \$20,628.65)	} \$1,653.81 ÷ 1920.8 = \$ 0.8610 or \$0.8610/50 mph = \$0.0172
	b. FUI	** 0.70% X 6,000.00)	
	c. SUI	*** 4.00% X 6,000.00)	
16	Worker's Comp. Ins.	*** 0.8995 X 11.41	= 10.2633%
17	Annual hours		1920.8 hrs.

* Prevailing wage elements from report.
** Rates by statutory requirements.
*** Rates derived from statutory requirements and carrier's own experiences.

TOTAL LABOR COST DEVELOPMENT
Using prevailing wage elements

LINE WORK TRUCK DRIVER
TRUCK OR TRACTOR DRIVER, 5 AXLES
STATEWIDE

FULL TIME DRIVER, 8 HOURS PER DAY STRAIGHT TIME AND
2 HOURS PER DAY OVERTIME AT 1 1/2 X REGULAR RATE

AS OF JULY 1, 1981

<u>Line</u>	<u>Item</u>	<u>Hourly Amount</u>	<u>Mileage Amount</u>
1.	Base wage.....	\$ 9.880	\$ 0.2500
2.	Holiday-sick-funeral leave (3.3186% X L.1).....	0.3279	0.0083
3.	Vacation (3.6418% X L.1).....	0.3598	0.0091
4.	Subtotal.....	\$10.5677	\$ 0.2674
5.	Premium Pay (10.0000% X L.1)	0.9880	0.0250
6.	Health, welfare & pension.....	1.9657	0.0393
7.	Prevailing wage cost--Subtotal.....	\$13.5214	\$ 0.3317
8.	Payroll taxes.....	0.8859	0.0177
9.	Worker's Comp. Ins. (10.2633% X L.4).....	<u>1.0846</u>	<u>0.0274</u>
10.	Total labor cost.....	\$15.4919	\$ 0.3768
11.	Holidays	* 7.26 days/yr. X 8)	
12.	Sick & Funeral Leave	* 2.70 days/yr. X 8)	79.68 Hrs. ÷ 2401 = 3.3186%
13.	Vacation	*10.93 days/yr. X 8 = 87.44 Hrs. + 2401 = 3.6418%	
14.	Premium Pay	480.2 Hrs. X .5 = 240.1 + 2401 = 10.0000%	
15.	Health & Welfare	* \$ 174.90/mo. X 12)	
16.	Pension	* 50.40/wk. X 52) \$4719.60 + 2401 = \$1.9657 or \$1.9657/50 mph = \$0.0393	
17.	Payroll taxes		
	a. FICA	** 6.65% X \$27,745.21)	
	b. FUI	** 0.70% X 6,000.00) \$2127.06 + 2401 = \$ 0.8859	
	c. SUI	*** 4.00% X 6,000.00) or \$0.8859/50 mph = \$0.0177	
18.	Worker's Comp. Ins.***	0.8995 X 11.41	= 10.2633%
19.	Annual hours	1920.8 S. T. + 480.2 O. T.	= 2401 Hrs.

* Prevailing wage elements from report
 ** Rates by statutory requirements
 *** Rates derived from statutory requirements and carrier's own experience

