

Creatively Addressing Student Transportation Labor Issues

By [Brian Lafountain](#), on Friday, March 25, 2022

Given the impact of the pandemic on student transportation programs, probably the greatest challenge that we have witnessed over the past couple of years has been the on-going driver and bus monitor/aide shortage. Employees have suffered from illnesses just like the rest of society. However, the absences of these key employees have been exacerbated by the need for more drivers/aides to meet the social distancing demands; increased runs due to scheduling changes in the school buildings; a reduction in new employees coming into the industry; and retirements due to health concerns.

We are providing in this article our thoughts and experiences relative to labor agreements and hiring and retaining staff, while keeping in mind the relatively unique demands of student transportation. Not everything that we mention will work for every district. Additionally, each district must be cognizant of State regulations as some states place onerous employment and financial aid restrictions on districts. Most importantly, districts should consult with legal and/or labor counsel before instituting some of the more “aggressive” or unique concepts that we pose herein.

Demographics

A number of years ago **TAS** had the opportunity to perform a very large bus driver study in the State of New Jersey under a contract with the Union County Educational Services Commission. The purpose of the study was to look at the bus driver shortage and to make recommendations to address the issues that we found through our research. This 1.5-year study covered all 21 counties in New Jersey and included surveys and interviews with more than 1,100 drivers who were employed in 187 school districts and 36 contractors.

There were a number of key “take-aways” from the study:

- 54% of drivers were age 51 or older
- 37% cited pay rates as the motivating factor for their work as drivers
- 40% stated that benefits were the key issue to them
- A significant number of drivers identified student discipline, and effective administrative support, as important considerations

Times have changed. Based on our work of performing transportation reviews in districts of all sizes in many states, and based on anecdotal comments and reports, it appears that the driver force has actually “aged” to a greater degree from the time of this study. Fewer younger people have entered the market to become drivers. We believe contributing factors include personal liability concerns due to student discipline issues; pay and benefit levels; part-time nature of the job; health concerns (especially during the pandemic); onerous testing and qualification demands; front end expense for

licensing and training; and market alternatives for more lucrative and rewarding employment.

If issues are not effectively addressed, the driver labor force will effectively “age out”. In many ways we have seen the ramification of this during the pandemic as older drivers were more susceptible to illness, and more older drivers were reticent to work or come back to work. With more than 69% of the driver force showing 5 years or more of experience, especially during a time of turn-over, there is further support for the inability of the industry to attract new workers.

We believe the student transportation industry must take dramatic and creative efforts to address the ability to hire and retain drivers. This incorporates an understanding of the demographics of the labor force, coupled with the financial abilities of school districts to support the infrastructure costs of a transportation program.

In a simplistic way, let’s look at the driver force as two parts: one part new and younger drivers and one part as more seasoned drivers who either should be retained or who should be encouraged to enter the workforce as a second career.

For younger drivers, what will motivate them to become school bus drivers? In most cases it will be pay and benefits, possibly coupled with the unique schedule of the jobs. Districts will need to develop pay and benefit programs that are attractive in an environment where there is stiff competition for qualified workers. Pay levels need to be substantial in order to demonstrate that the effective hourly rate is superior to other alternatives. Why work at fast food or an entry level job when you can make \$8 more an hour as a bus driver?

Training needs to be provided at no cost as younger applicants may not have the disposable income to front-end training and licensing. Stipends need to be available to support the applicant during the training process as this will typically entail several weeks, especially given the difficulty in many areas to obtain a timely driver’s license test.

Benefits need to be flexible and responsive to the market. This leads to a very large issue that we believe needs to be addressed – labor agreements and flexibility. Unfortunately, most of the labor agreements we have reviewed in school districts incorporate the transportation department into an overall support service agreement. A recent report showed that 43% of drivers were part of a formal union environment. Drivers are coupled with custodians and cafeteria workers, and possibly with all non-instructional members of the district. Many union agreements are integrated with unions where the key focus is representing teachers, and not drivers. Wages and benefits become a program designed to cover all staff members, thereby effectively eliminating the ability of the district to be responsive to the unique demands of the student transportation market.

We fully understand the significant difficulty in changing historical practices. We certainly understand the challenge of trying to change relationships in a unionized

environment. However, we believe efforts must be undertaken to do just that. Transportation needs to be “carved out” of general agreements as a separate unit, or transportation departments need to have their own separate union relationships.

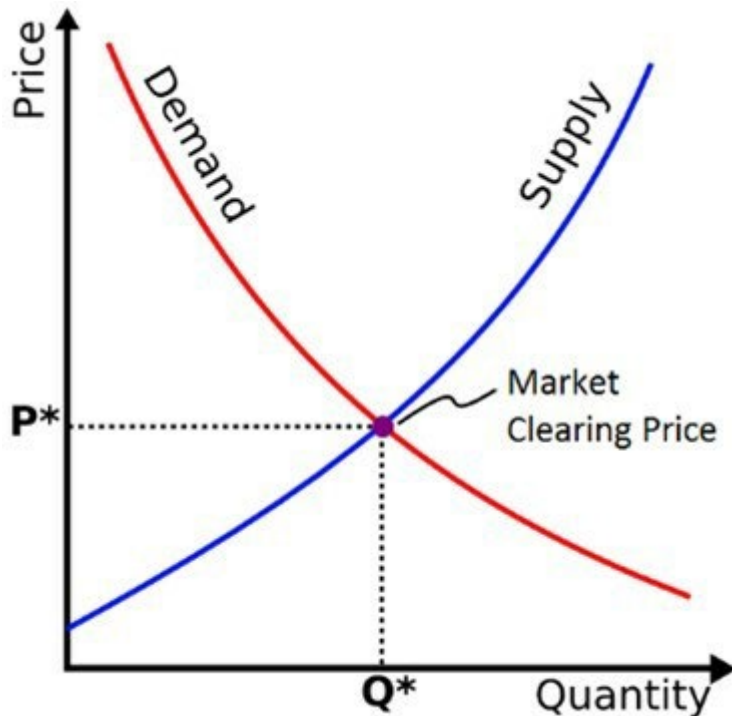
Pay and benefits need to meet the needs of the market, the market cannot be adjusted to meet the restrictions of the agreements. Consider that there may be real attractiveness to allowing the potential employee to choose a higher hourly rate with a reduced benefit package. There may also be interest in the market to some persons to slightly reduce the hourly rate in order to obtain better health insurance and paid time off. If the total cost is the same to the employer, does it really matter? Unfortunately, it matters to unions especially when there are other employees in other departments looking at the issues. Additionally, based on our experience, union agreements are typically negotiated predicated on changing what already exists as opposed to starting fresh with flexibility.

Consider this concept in relation to the demographics of the driver force that we mentioned earlier. If a significant number of employees are more seasoned individuals, there may be real need to create pay and benefits to meet their needs. Maybe a prospective employee has earned lifetime health insurance in another job – will they have any interest in health benefits as they become a driver? Or would they prefer a much higher hourly rate and no health benefits? Or maybe an applicant is nearing retirement age – might they be interested in some type of Medicare benefit or life insurance and be willing to forego some of the typical hourly rate payments? Additionally, consider that they might be more interested in retirement contributions to existing retirement programs that they own as opposed to structured public sector retirement programs that they may never qualify for. More seasoned drivers may also be interested in a retention payment to reward their commitment to the job, or a loyalty payment to recognize their reliability and lack of absenteeism.

In all cases it will be incumbent on the business official in the district to calculate the true cost to the district in order to help to structure a flexible program that is fair and equitable. We are also sure that not every program will work in every district. However, unless districts and unions are willing to be flexible and creative, we do not believe that they will be able to maintain a sufficient driver force in the future.

Additionally, regulatory barriers must be addressed. Many states have labor mandates that effectively restrict or eliminate the ability for districts to be flexible. In some states the transportation aid formulas are outdated and restrictive. In both states, and nationally, driver testing needs to be addressed to evaluate the true ability of a person to drive a school bus safely and effectively. Does a bus driver really need to understand the intricacies of a diesel engine?

There is a significant lag time to make structural changes. Unless governing bodies, and districts, aggressively address the fundamental issues of meeting the needs of the marketplace, we believe the supply of drivers will continue to diminish. As we addressed in a previous article, labor is a classic example of the laws of supply and demand.



In this chart, the supply of drivers is shown by the blue line while the demand or need for drivers is shown by the red line. Initially, the demand (need) for drivers is much larger than the supply (availability). Basically, this is where the industry currently finds itself. As the supply of drivers moves to the right and up, the difference between the supply and demand narrows until you reach a point where the number of drivers is equal to the need for drivers. This is referred to as the equilibrium point (market clearing price) and it is determined by what is typically referred to as price.

In the case of driver labor, price is really wages and benefits. Once the level of wages and benefits reaches a certain point, enough people will be attracted to the job to meet the demand. However, as mentioned, these wages and benefits need to be “packaged” properly as it is not simply a function of “how much” but really a function of “what is provided”. Districts need to meet the needs of the marketplace.

Working Environment

Obviously, there is more than just financial costs that must be considered. The working environment must be conducive to job satisfaction and enjoyment. Drivers must want to come to work and stay with the district.

Facilities are an issue. Although the drivers spend most of their time “on the road”, they do start their days at the bus terminals and interface with other drivers in the district facilities. Are these locations safe, clean, and respectful of the driver’s needs? Are there sufficient rest rooms to make the time at the district comfortable? Are there little things done to make them feel needed and appreciated? For example, when drivers are desperately needed, would coffee availability for drivers be an unjustified expense? Would an occasional doughnut be unwarranted? If all the kindness efforts amounted to

an extra \$1,000 per year to the district, would this be a better expense than advertising in the paper each week for drivers?

As shown in our major study presented earlier, student discipline and conduct were major issues stated by drivers in the surveys and interviews. Coupled with student actions are the efforts of support offered by the district administration. The driving job must be fulfilling and enjoyable, and these issues are key components to work environment. Effective student discipline programs must be in place. Additionally, extensive, and pragmatic training must be provided in order to offer the drivers the skills and techniques to address what will undoubtedly occur in their driving days. There is certainly a cost to train, but the payback in effectiveness, driver retention, and driver recruitment is well worth it.

There are a multitude of additional issues that must be considered in addressing student transportation issues. We believe the concepts provided herein can offer a guide as districts make decisions and try approaches – keeping in mind the unique nature of the job coupled with the critical aspect of having enough quality drivers.

Transportation Advisory Services (TAS) was founded in 1987 and provides third-party, independent student transportation consulting services to school districts, agencies, and universities throughout the United States. In the past 35 years, TAS has worked with almost 600 school districts in 21 states. More information can be found at www.TransportationConsultants.com.

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