

## **FACTS ABOUT TRUCK DRIVERS AT THE NEW YORK AND NEW JERSEY PORTS\***

### **How many truck drivers and trucking companies operate at the Ports of New York and New Jersey?**

Approximately 7,000 port truckers deliver and pick up containers at the ports of New York and New Jersey daily. Nearly three-quarters are treated as independent contractors who have their own trucks and make moves assigned by a single trucking company, which pays them on a per-load basis, not for time spent idling in line or in traffic. The Port Authority of New York & New Jersey estimate that there are “thousands” of so-called trucking companies operating out of the ports – most of them fly-by-night outfits that provide extremely low pay to drivers.

### **How much do port truck drivers earn?**

The truckers’ earnings are low: a Rutgers study found that the independent contractors net \$28,000 per year, without health insurance or retirement benefits. The small segment of employee drivers earn about \$35,000 annually; some receive health benefits but few receive pension contributions. In hourly terms, the independent contractors earn a shade less than \$10 per hour; employee drivers \$12. This is consistent with other major ports around the country, including Los Angeles and Long Beach, Oakland, Seattle and Miami – all rely on the independent contractor model, a product of industry deregulation.

### **Why are the trucks that come in and out of the ports so old?**

The average port trucker drives a vehicle that is 11 years old because they cannot afford to buy or maintain newer vehicles. Diesel engines of this vintage pollute at least ten times more than modern ones, consume more fuel, cost more to maintain, and require frequent repairs. The most dangerous element of diesel engine emissions is the particle of 2.5 microns or less in diameter. These fine particles are coated with over 40 dangerous substances, and when passed into the bloodstream through the lungs, cause asthma, lung cancer, and heart disease.

### **Do port truck drivers have access to health care?**

Nearly 75 percent of independent port drivers report that they and their families lack health coverage. Half of employee drivers are uninsured. Nearly one-quarter of the independent contractors said that they receive no medical care at all because they can not afford it.

### **Are their health problems associated with being a port truck driver?**

Drivers report that they suffer from high levels of stress, high blood pressure, and asthma, as well as work-related chronic health conditions and injuries. When independent contractors are injured, their companies are not required by law to take action, and usually do not. Health studies indicate that the truckers’ heart and lung conditions, caused by exposure to vehicle exhaust, result in elevated mortality rates.

### **Who is the average port truck driver and where do they live?**

Most drivers are men, with the modal age being 35-44. Latino immigrants comprise 2/3 of the drivers at the New York and New Jersey ports, most originally coming from the Dominican Republic, Columbia, Ecuador, Puerto Rico, Honduras and El Salvador. The neighborhoods in which most truckers reside are working poor neighborhoods in Newark and Elizabeth and Jersey City, areas with lots of rental housing and chronic unemployment..

\* Based on a 2009 survey by Dr. David Bensman, Professor at Rutgers University School of Management and Labor Relations

### **How many loads to port truck drivers deliver each day?**

Most drivers call at most or all of the terminals. Their typical trip is a “short-haul” of 75 miles or less one way. Before the height of the recession, drivers could average 2-3 trips per day, many now are lucky to get that in a week. On each trip to the terminal, they spend two hours waiting on line.

### **How much does it cost a port truck driver to own a truck?**

Because their trucks are so old, more than half the independent contractors over 35 have finished paying off their leases; less than half the drivers below the age of 35 have done so. The median monthly lease payment is \$967/month. Diesel fuel is the largest expense of the independent contractors. They also pay for repairs, maintenance, road taxes, bobtail insurance, tolls, traffic fines, radio and/or telephone bills, tax preparation, and so on. These expenses total more than \$5,000 per month, even more for those drivers still paying off their truck lease, which averages almost \$1000 per month.

### **Can port truck drivers join a union to improve their working conditions?**

No. As independent contractors, and not employees, port truck drivers are legally prohibited from joining a union, despite the fact that almost two-thirds of the drivers said they would be “very likely” to join a union if they could. Less than 10 percent said they would be “not very likely” to do so. The median driver said that he changed jobs “once every couple years.” Fifteen per cent of the drivers said they changed jobs “several times a year.” The leading causes of turnover were “the pay wasn’t good enough,” and “disputes over pay.”

### **Are the port truck drivers the only ones bearing the burden of the current system?**

The New Jersey logistics industry, with its reliance on poorly paid independent contractors to do the lion’s share of port trucking, is externalizing many of its costs on taxpayers and the public at large. Among the costs of moving freight that are being passed onto the public are the health care costs of the drivers and their families, the damage done by diesel emissions to the health of residents of the metropolitan region as well as to the workers in the logistics industry, and the costs of traffic congestion and traffic accidents on the main freight routes.

### **What about efficiency at the ports?**

The truckers’ low pay and independent contractor status impede the efficiency of New Jersey’s logistics system, causing delays, unpredictable delivery times, highway congestion, congestion within the terminals, air pollution, and missing or lost containers. As a consequence, New Jersey’s logistics system has built in extra capacity, warehousing costs, and time cushions. The “Just-in-time” logistics model heralded a decade ago has given way to a “Just-in-case” reality. This adds billions of dollars to the cost of doing business in New Jersey.

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