



**Truck Operator Wages
Consulting Report
24-011**

Harbor Department Internal Audit Division

March 6, 2025

Why We Did This Report

The purpose of this report is to analyze truck operator wages in the Los Angeles metropolitan area, specifically comparing wage trends for truck drivers to overall median wages for all occupations. This study was conducted to assess whether the Clean Truck Fund (CTF) Rate, implemented in 2022, had any measurable impact on truck operator earnings. Given the Port of Los Angeles' commitment to sustainable operations, understanding economic impacts on truck drivers is critical for evaluating policies that support clean air initiatives while maintaining fair compensation within the drayage trucking industry.

Objectives

The objectives of this consulting report were to:

1. Compare truck operator wages to overall median wages for all occupations in the Los Angeles metro area.
2. Assess wage trends since the implementation of the CTF Rate in 2022.
3. Determine whether the CTF Rate had any measurable impact on truck operator earnings.
4. Provide an inflation-adjusted analysis to account for broader economic conditions.

Methodology

Data for this study was sourced from the California Department of Labor and the Bureau of Labor Statistics. The analysis focused on:

1. Median wage data for truck drivers and all occupations from 2018 through 2024.
2. Adjustments for inflation using the Consumer Price Index (CPI) to reflect real wages in 2024 dollars.
3. A comparative approach that evaluated truck driver wages alongside median wages of other workers rather than a direct pre- and post-CTF Rate analysis. This approach helps control for broader macroeconomic factors such as inflation, unemployment, and interest rate fluctuations.

Background

The Clean Truck Fund Rate (CTF Rate) was implemented in 2022 as part of the Port's Clean Air Action Plan (CAAP) to incentivize the transition to zero-emission drayage trucks.¹ The fee, paid by cargo owners, is intended to fund clean truck vouchers and related infrastructure.

The CTF Rate's potential economic impact on truck drivers has been a subject of interest, as Commissioners raised concerns that added fees could indirectly suppress wages or increase financial pressure on independent truck operators. However, the findings of this study suggest that truck driver wages have grown at a higher-than-expected rate, despite the implementation of the CTF Rate.

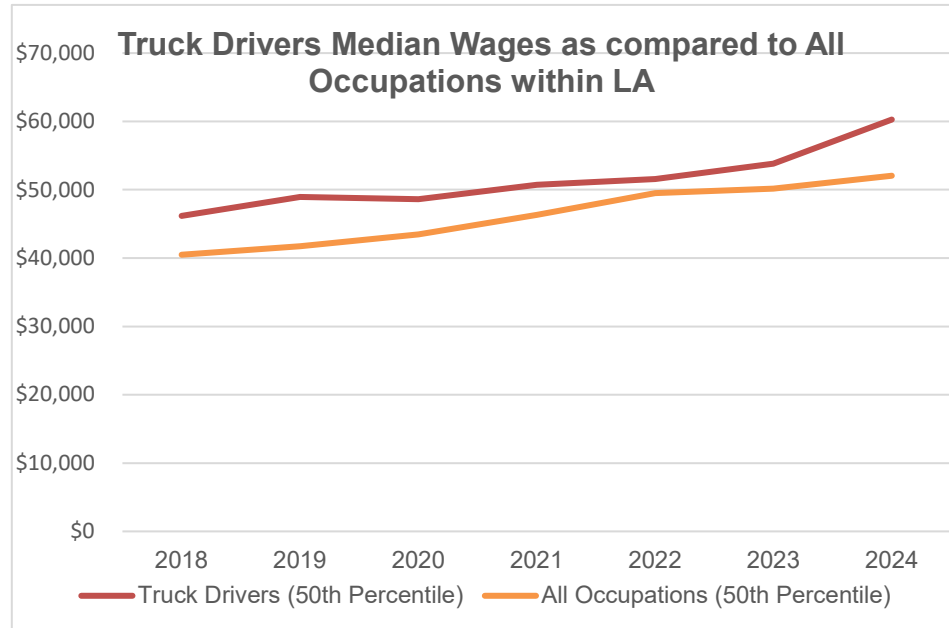
¹ A drayage truck refers to a heavy-duty truck that pulls a trailer or chassis over relatively short distances used for loading, unloading or transporting cargo on Port property.

What We Learned

Truck Driver Wages Increased More Than Median Wages for All Occupations

From 2021 to 2024, truck driver wages increased by 19%, compared to 12% for all occupations in the Los Angeles metro area.

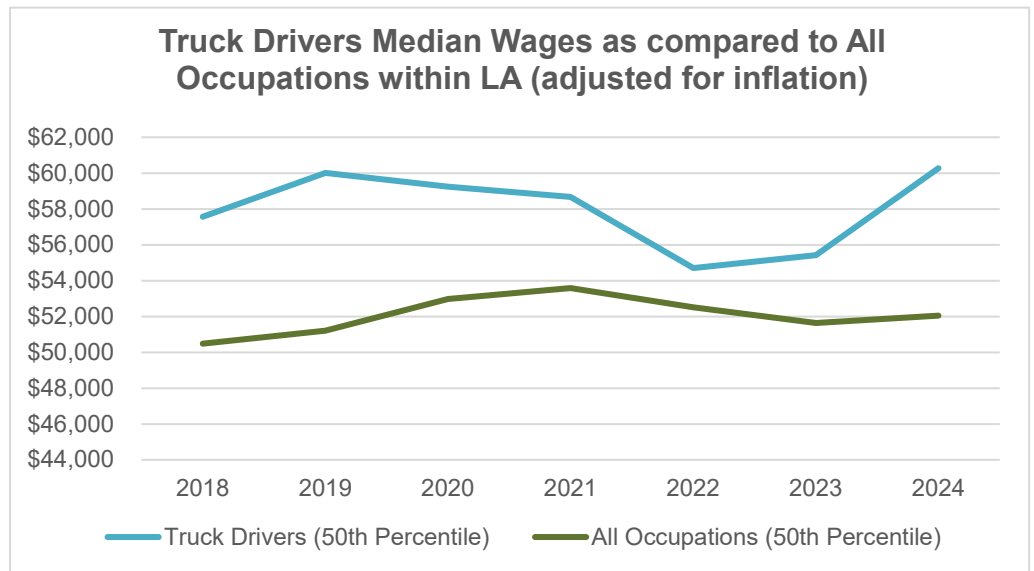
This suggests that factors beyond the CTF Rate, such as market demand, driver shortages, and broader economic conditions, have played a more significant role in wage determination.



Inflation-Adjusted Wages Show Positive Growth Since 2022

When adjusted for inflation, real wages for truck operators declined in 2021-2022, in line with broader economic trends. However, from 2022 through 2024, real wages for truck operators increased, surpassing inflation-related losses.

This contrasts with overall median wages for all occupations, which remained relatively flat when adjusted for inflation.



The Clean Truck Fund Rate Did Not Depress Truck Driver Wages

If the CTF Rate had negatively impacted truck driver earnings, we would expect to see stagnation or decline in wage trends post-2022. Instead, truck operators experienced stronger-than-average wage growth.

This suggests that demand for truck drivers, changes in labor market conditions, and other economic drivers had a more pronounced effect on wage increases than any downward pressure from the CTF Rate.

Conclusion

The findings of this study indicate that the Clean Truck Fund Rate did not negatively impact truck driver wages. In fact, truck drivers experienced above-average wage growth, even when adjusted for inflation. The CTF Rate is a critical component of the Port's environmental sustainability strategy and wage trends suggest that truck operators have continued to see economic gains despite potential cost pressures.

Although there have been some recent labor actions related to truck driver compensation, those have tended to focus on healthcare costs, rather than negative impacts due to the CTF Rate.