

DATE: September 11, 2025
FROM: Internal Audit
SUBJECT: Additional Context on Truck Operator Wages

Background

On April 24, 2025, Internal Audit provided the Audit Committee with a consulting report on Truck Operator Wages, examining changes in truck driver wages since the implementation of the Clean Truck Fund Rate (CTF Rate). In response, Commissioners raised two related questions:

1. How well are drayage truck drivers represented within the Department of Labor (DOL) data that reflects truck drivers as a whole?
2. Do the changes in median wages for truck drivers accurately represent drayage truck drivers specifically?

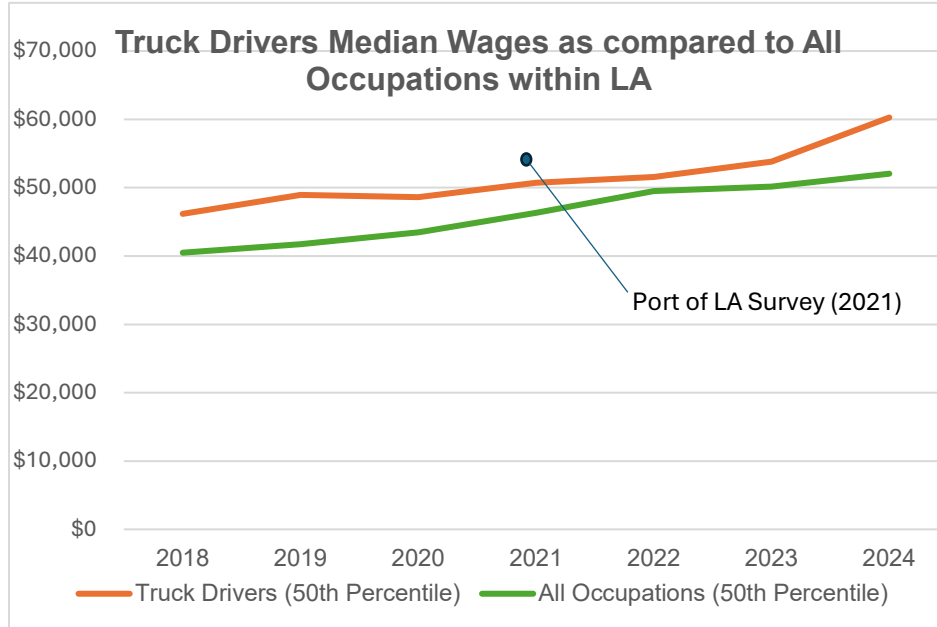
Analysis of Drayage Driver Representation

While the California Department of Labor's data that was used in the consulting report does not distinguish between Port drayage truck drivers and other heavy truck drivers, Port drayage truck drivers represent a substantial percentage of this population. The 2024 data included 58,950 truck drivers in the Los Angeles-Long Beach-Anaheim Metropolitan Statistical Area.

Based on data provided by TetraTech, approximately 10,000 individual trucks provide drayage services through the Port of Los Angeles each month. This figure likely understates the actual number of drayage truck drivers, as some trucks may have multiple drivers working in shifts. Using this conservative estimate, drayage truck drivers represent approximately one-sixth of the truck driver population captured by the DOL and assessed in this study.

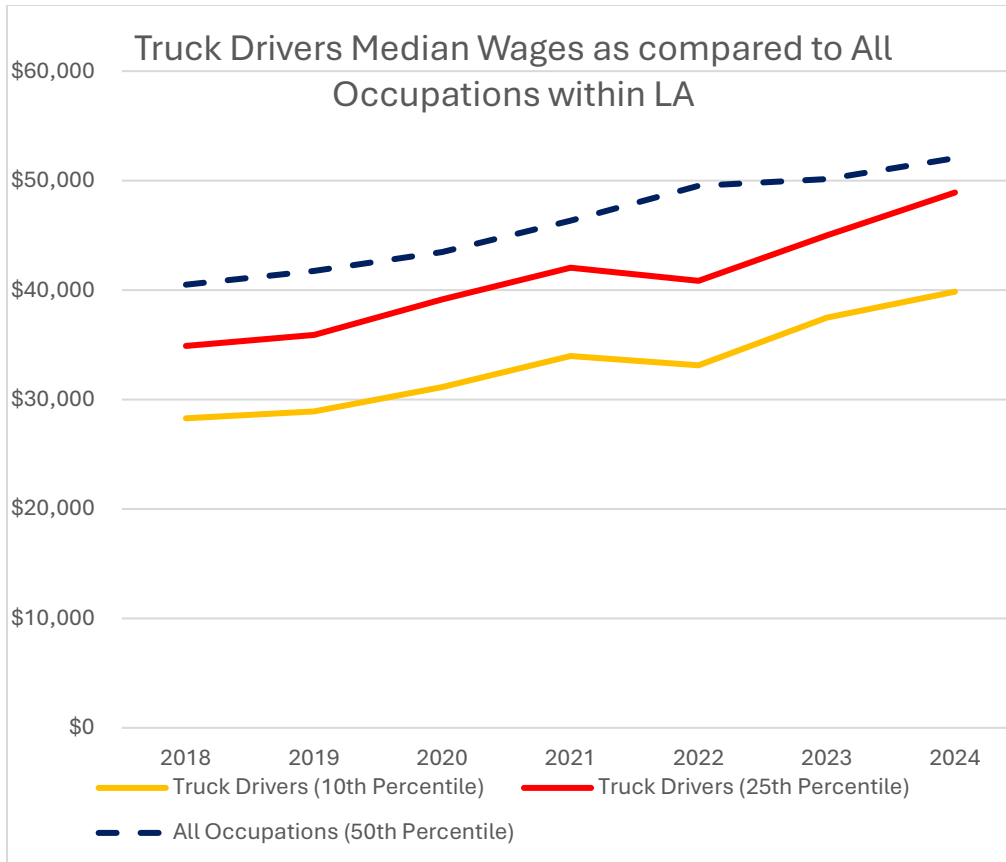
Wage Comparability

Previous research indicates that drayage truck driver wages likely align with median wages for truck drivers in the region. In 2021, the Planning & Strategy division conducted a Port Truck Driver Survey, which found that the median income from trucking was \$53,500. This closely aligns with the DOL data from the same year, which showed a median annual wage for truck drivers of \$50,734.



As noted in the previous report, from 2021 to 2024, median truck driver wages increased by 19%, compared to 12% for all occupations in the Los Angeles metro area. Although Port drayage truck drivers likely have wages comparable to the median for truck drivers in the region, it is possible that their earnings may be somewhat lower than the median due to the inconsistent nature of drayage work. However, when examining wage trends across lower-income levels, truck drivers still saw greater gains than median workers. Truck drivers in the 25th percentile saw wage gains of 16%, and truck drivers in the 10th percentile saw wage gains of 17%. While these gains were slightly lower than the gains for median truck drivers, they significantly outpaced the 12% increase for all occupations.

It is worth noting that these wage gains occurred even as the number of truck drivers also grew. Over the same time period, from 2021 to 2024, the number of truck drivers also grew from 42,720 to 58,950, an increase of 38%. It is not surprising that wage gains would motivate more workers to join the industry, but it is remarkable that wage gains outpaced other workers when there was such a large influx of workers.

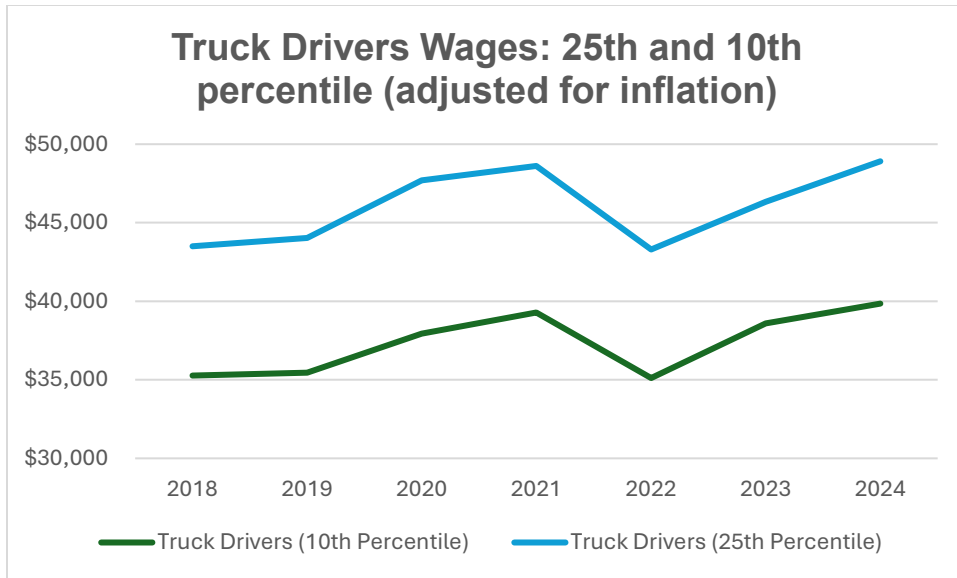


Wage Trends Over Time

As noted in the consulting report, when adjusted for inflation, real wages for truck operators declined from 2021 to 2022, reflecting broader economic trends, but from 2022 through 2024, real wages for truck operators increased, surpassing inflation-related losses. Truck operator incomes in 2024 were higher than in any of the previous six years

Similar positive trends were observed for truck drivers in lower income brackets (25th and 10th percentiles). After an inflation-adjusted decrease from 2020 to 2021, truck driver incomes in these brackets were higher in 2024 than in any of the previous six years.

This performance contrasts favorably with overall median wages for all occupations, which remained relatively flat when adjusted for inflation. In fact, median wages for all occupations were higher in three of the previous six years than they were in 2024.



Impact of Clean Truck Fund Rate

If the CTF Rate had negatively impacted truck driver earnings, we would expect to see stagnation or decline in truck driver wage trends post-2022, or at minimum, wage growth lower than that of other occupations. Instead, we observe the opposite effect: truck drivers experienced stronger-than-average wage growth, even among those in the 25th and 10th percentiles of their occupation.

Conclusion

The data indicates that Port drayage truck drivers are well-represented in the DOL statistics, and that the median wage trends for truck drivers likely reflect the wages of Port drayage truck drivers. Furthermore, the implementation of the Clean Truck Fund Rate does not appear to have negatively impacted truck driver wages; instead, truck drivers, even those earning lower incomes, have experienced above-average wage growth since its implementation. This suggests that other economic factors had a more pronounced effect on wages than any downward pressure from the CTF Rate.