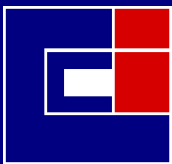


Research Report 1.3

Report on Port Truckers Survey at Jacksonville Port Authority



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OVERVIEW

With the anticipated expansion of the Jacksonville Port Authority (herein referred to as Jaxport) through the addition of two Asian container terminals, The Ports Project was launched to study and analyze various aspects and implication of a port economy for the city of Jacksonville and the northeast Florida region. Among the areas of focus for the project is the impact of the Jaxport economy on the types of work and occupations that will be critical to the success of a city aspiring to be “America’s Logistics Center”. A critical sector of the intermodal supply chain involves drayage -- the movement of the shipping containers on and off the terminal by truck. In this paper we report on our survey of port truck drivers that was designed to gain a better understanding of their working conditions and the challenges they face in carrying out their jobs. We make recommendations based on these data as well as our research on port drayage practices at other ports.

Over the years several studies have been conducted of port drayage drivers and their working conditions at different ports around the country.¹ We are indebted to this research for identifying the key issues and providing a model for the survey we distributed to port truck drivers. Our data were collected over the Summer of 2009 at the Talleyrand terminal.² A total of 78 drivers completed the survey. 94% of the surveys were completed at the truck waiting lot at the Talleyrand terminal during the terminal lunch break. The remaining surveys were returned by mail. While we make no claims that our respondents represent the larger population of drivers, the similarities of our results with those of previous studies is reassuring. The survey included closed-ended questions (allowing for quantitative analysis) and also space for additional comments by the drivers (allowing for some qualitative analysis).³

QUANTITATIVE SURVEY FINDINGS

1. Consistent with the earlier studies, the solid majority of port truckers are owner-operators (67.9%), with 19.2% percent working as employees, and 10.3% reporting as sub-haulers. Owner-operators, or independent contractors, are drivers who own their own truck, contract with a single trucking company, and receive compensation on the basis of the number of loads, or trips, or turns, completed. 98.1% of the owner-operators indicate that they are “not allowed to work for other firms”. Contracting with owner-operators effectively frees trucking companies from any financial and legal obligations that they might incur under an official employment relationship (e.g. social security, health benefits, retirement). While our primary interest is in the owner-operator labor force that makes up the bulk of the drayage sector, it will also be instructive, on occasion, to compare the working conditions of the owner-operators with the employees (who receive an hourly wage and are more likely to receive benefits) to see whether we find the kind of relative deprivation for owner-operators reported by other researchers.

2. In contrast to the racial ethnic composition of owner-operators at the other U.S. ports where surveys have been conducted, of which Hispanic and Latino workers make up the majority, the largest proportion of drivers in Jacksonville are White at 41.5%; African-Americans account for 37.7% and Hispanics 17.0%. Thus, when combined, the two minority populations account for the majority (54.7%) of drivers, and they are disproportionately overrepresented in this sector in relationship to their proportion of the population in Jacksonville. It is worth noting, in this respect, that among employee drivers, hypothesized to be relatively privileged in comparison to owner-operators, the two minority groups only combine for 28.5%, with Whites accounting for 63.4%.

3. The average income of the owner-operator in 2008 (after deducting truck expenses) was \$36,150, with a median of \$35,000. For employee drivers, the average income was \$38,000 with a median of \$40,000. The owner-operators report working an average of 10.53 hours a day; this translates into an average hourly wage of \$13.21. This would just qualify as a “living wage” for Duval County residents in a two adult household. It falls far below the \$27.44 hourly living wage for a household of two adults and two children (assuming a sole provider working fulltime).⁴

4. 71.7% of owner-operators report no health insurance (as compared to 40.0% of employees). Both groups of drivers are even less likely to have a pension – 92.5 % of owner-operators, and 66.7% of employees, have no retirement system.

5. A major source of inefficiency in the intermodal inland supply chain pertains to bottlenecks and delays in moving cargo from one point to the next. For port drivers, this is manifested in the amount of time spent waiting to get into the port terminal or receiving/unloading the container or securing a roadworthy chassis. For owner-operators the average wait time reported for their last trip was 2.15 hours.

6. 50% of owner-operators also indicate that over the last month they have been issued a defective chassis and 82.4% report that, in the case of the last defective chassis they were issued, they had to wait for either a new chassis or for the defective chassis to be repaired.

7. 85% of the trucks are pre-2004 and 60% are at least ten years old. Diesel-emissions from these earlier model trucks can pose serious public health risks to both the drivers and the communities in which they travel.

8. Asked if they would join a union, 46.9% of owner-operators responded in the affirmative versus only 7.1% of employees. It should be noted that, as an “independent business”, the owner operator is prohibited from joining with other owner-operators in organizing a labor union, as this would violate current federal anti-trust laws.

QUALITATIVE FINDINGS

Drivers were invited to include written comments on the last page of the survey in response to the following prompt: ***Please add any other comments below that you think might be useful to our research project on port-related trucking and the working conditions and challenges facing drivers.*** 38.5% of the respondents included comments in this section of the survey. From the written comments, several specific themes emerged. They are personal treatment, terminal operation, chassis issues, and economic conditions/relations with employers.

The most frequent comment, or complaint, registered by the drivers involves the poor treatment they receive from the terminal employees. This ranges from a lack of respect for the drivers to an indifferent attitude toward the drivers' need to get in and out of the terminal in a timely fashion. Some representative expressions are as follows:

The ILA clerks are in no hurry to do anything as they are paid on an hourly basis and are SLOW, SLOW, and SLOW!

Redundant holdups, dealing with people who could care less that a driver has a time schedule to keep. Arrogant disregard with any problem a driver has. They label us as stupid truck drivers!

At the port, they are very nasty to drivers. They discriminate at the port. They treat drivers like dirt when we are the ones responsible for their salary. They treat the minorities very badly.

The way that they treat drivers at the port is humiliating

A second issue raised by many drivers had less to do with personal treatment than the standards of operation at the terminals. In particular they noted the hours and staffing at the gates and the requirements for various forms of identification (e.g. the Transportation Worker Identification Credential aka TWIC) for security clearance. Some representative comments:

Our main objective is to get in and out of the port as our compensation is based on what we pick up and deliver... They will close all but one gate at the busiest part of the day... The closing of the port between the hours of noon and one for the entire port is an abomination. No other port does this. They should stagger their break schedules to keep gate traffic moving. How can the JPA still continue to charge for port badges after the TWIC badge has been issued to an individual?

Waiting time is the biggest problem, especially during the lunch hour, or waiting to be checked in or out...Closing down at lunch is just unnecessary though. Port badge should not be a necessity, since a driver cannot enter the port without a TWIC badge. More fees, same access, longer wait

It would help a lot if JAXport would stay open from 7am to 7pm instead of 8am to 430pm. They also close for an hour at lunch, which is an aggravation...The only problem I have is the hours that the port works. We need a 12-hour workday.

Port should be opened for longer hours and when break is going, somebody should be there so they don't have to shut down the port for one hour. One hour is a lot of time for a truck driver. Let's get the wheels turning!!!

The third major issue that emerged in the written comments pertains to the availability and condition of chassis. As the survey results documented, the issuing of non-roadworthy chassis is quite common. The written comments highlight some of the specific chassis-related concerns:

When coming into port to get chassis getting something fixed is like getting teeth pulled. Union workers work the ports so most of the time it's pushed on us, the drivers, to get things fixed on the chassis ranging from flat tires and inspections updated to the brakes adjusted. Most of our time is spent in ports getting the correct chassis for containers and work that is needed so they can be road worthy. Recaps (tires) on these chassis are time consuming as well. We need to have virgin tires, not recaps)

The port needs to do a better job maintaining the chassis. Too many are on the road without brake and tire inspections

If you have a flat tire on the chassis on the road, they want you to pay for it. These loads don't pay enough to cover that, and make a profit. The port's not that bad, but it could be better equipment wise. Someone could be checking the chassis out while it's sitting there, instead of us waiting to get them fixed, which wastes a lot of time.

Chassis maintenance, tires are a big issue. They charge drivers for their bad tires when they go flat during service, which is very unfair, and no fault of the driver

Dry rotten tires on some of the chassis

These comments point to several problems related to the chassis used by drivers – the safety of the tires and brakes, the responsibility for ensuring the roadworthiness of the chassis, and the costs incurred by the drivers as a result of faulty tires and waiting for chassis repairs. A final theme that emerges from the written remarks pertains to the economic conditions and hardship that the drivers experience as part of the drayage industry and at the hands of the trucking companies for whom they work.

In the game of trucking you make a living, but not the best if you own your truck. Everything is determined of the work you do, and how much it pays. Containers used to be one of the best ways to work, but now it is the worst.

It is getting harder to make a living doing this type of work. There are weeks that you may only get one run, and even if you do get more than one, the steamship lines are dropping the line haul rates for. The price of fuel and maintenance is not going down...I am speaking as a truck owner. It is getting tough.

*Some companies are cheating drivers. We need a way to fight that. It's not fair that we're working so hard. Most of us have truck payments, mortgage, daycare, or child support. Everybody is hurting, but the drivers is the only one getting F*CKED.*

Shipping companies have quit paying fuel surcharges even though fuel is going up.

Pay has gone down. There are now lower rates, longer runs, and less time to run them. Pay needs to go up.

I went from making \$80,000 a year to \$35,000 a year in the last 3 years. You have to keep charging. Sometimes you'll be sitting for weeks.-We need a union for all independent drivers.

We need legislation for more strict regulatory measures on contracting companies, such as rate per mile, fuel surcharge, actual miles paid, and mandatory detention reimbursement. The contractors should not be allowed to make more than ten percent off a load being delivered, or picked up.

POLICY IMPLICATIONS

Based on what we have learned from the survey of port drivers and the existing literature on policies to improve drayage operations, we point to the following areas for policy improvements:

1. Port authorities should organize several meetings that bring together the union-organized terminal workers and the owner-operators to discuss the issues of concern and to establish mutual respect and understanding of the challenges facing both groups of workers in carrying out their jobs.
2. As long as a large proportion of the drayage labor force is compensated by the trip rather than the hour, the gates at the port terminals should remain open for longer hours and utilize flexible staffing strategies to eliminate closings during the middle of the day. This should also contribute to the efficiency of the inland supply chain.
3. Federal and state agencies should reduce the number of identification cards required for security clearance to the single TWIC I.D. to enter the port and also reduce or waive the cost associated with obtaining any additional required forms of identification.
4. In anticipation of a significant increase in the number of diesel-burning trucks entering and leaving the container terminals, port authorities should explore policies, such as concession agreements, that would establish environmentally-sound standards for trucking companies and their drivers.
5. Owner-operators are unable to work as truly independent contractors because they are prohibited from working for more than one trucking company. For that reason, there should be a formal employment relationship between the owner-operators and the trucking companies that would include a living hourly wage, health care benefits, and a pension. Higher wages and annual incomes would create a better quality of life for a critically important segment of the logistics workforce, contribute to the primary objective of the City of Jacksonville's Blueprint for Prosperity by increasing per capita income in Duval County, generate a larger multiplier effect for the local economy, and prevent an anticipated labor shortage by attracting more highly skilled drivers to the industry. The hourly wage would also create an incentive for all parties to develop better methods and processes for reducing time delays, thus enhancing the efficiency of the inland supply chain.
6. Port authorities can contribute to the safety of the drayage sector by establishing at the terminals a system for brake and tire inspections of chassis as well as their timely repair. Drivers should be reimbursed for the cost they incur in repairing defective or non-roadworthy chassis.
7. Port authorities, in collaboration with shippers and carriers, should carefully study the research and best practices of other ports pertaining to the most efficient ways to organize and facilitate container drayage and chassis allocation and distribution. These might include investment in additional yard cranes, implementing a truck appointment system,⁵ the virtual container yard,⁶ trucking pools,⁷ and chassis pools⁸.



In some of these areas, the Jacksonville Port Authority has already made an effort to improve conditions and efficiencies (e.g. the allocation and maintenance of chassis). In other areas, progress and improvement will require additional actions by the port authority as well as other parties such as state government, the shipping lines, terminal operators, or the trucking companies. Ideally, there will be collaboration and a collective desire to establish better working conditions for drivers and a more efficient drayage system among the range of stakeholders.

NOTES

¹ David Bensman and Yael Bromberg “Report on Port Truckers’ Survey at New Jersey Ports,” January 23, 2009; Kristen Monaco and Lisa Grobar “A Study of Drayage at the Ports of Los Angeles and Long Beach,” 2004; Robert Harrison, Nathan Hutson, Jason West, and Julie Wilke. “Characteristics of Drayage Operations at the Port of Houston” 2008.

² We acknowledge and thank Joanne Kazmierski, Manager of Community Outreach and Environmental Advocacy, and the other officials at the Jacksonville Port Authority for allowing us to distribute the surveys to the drivers at the Talleyrand terminal. Without this permission, we would have been unable to reach and survey a significant number of drivers. We also thank the drivers for taking the time to fill out the surveys under difficult conditions.

³ For further details about the methods and the full length version of the study see: David Jaffee and Adam Rowley, “Hauling Containers: Port Drayage Drivers in the Logistics Supply-Chain”. Paper prepared for presentation at the annual meetings of the Southern Sociological Society, Atlanta, April, 2010.

⁴ The living wage figures are provided by the Living Wage Calculator website run by Dr. Amy Glasmeier, a professor of economic geography at Pennsylvania State University.
<http://www.livingwage.geog.psu.edu/>

⁵ Nathan N. Huynh and C. Michael Walton. Methodologies for Reducing Truck Turn Time at Marine Container Terminals. May 2005.

⁶ International Asset Systems. n.d. “The Virtual Container Yard: Reducing the Operational and Environmental Costs of Container Management”

⁷ Payne, Gordon. 2008. “Everyone in the pool!” *Containerisation International*, July 2007.

⁸ U.S. Environmental Protection Agency. “A Glance at Clean Freight Strategies: Common Chassis Pools for Drayage”.

This research was conducted as part of The Ports Project at the University of North Florida.
<http://www.unf.edu/coas/ci/ports/index.htm>

Direct any questions or comments to David Jaffee, 904-620-2215, or djaffee@unf.edu

¹ David Bensman and Yael Bromberg “Report on Port Truckers’ Survey at New Jersey Ports,” January 23, 2009; Kristen Monaco and Lisa Grobar “A Study of Drayage at the Ports of Los Angeles and Long Beach,” 2004; Robert Harrison, Nathan Hutson, Jason West, and Julie Wilke. “Characteristics of Drayage Operations at the Port of Houston” 2008.

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For additional information about **The Ports Project** at the University of North Florida visit the website at:
<http://www.unf.edu/coas/ci/ports/index.htm>

We welcome feedback from the community on this report. Please direct any comments or questions to David Jaffee, djaffee@unf.edu or 904-620-2215.



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