



# Study: independent port truckers struggling

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By Victor Epstein, Associated Press Writer

KEARNY, N.J. — Kenel Hyppolite says driving an 18-wheeler isn't what it used to be for the independent truckers that make their living carrying cargo in and out of the Port of New York and New Jersey.

The 52-year-old Jersey City truck driver says he can barely make the lease payments on his 1998 Kenworth tractor-trailer and is struggling with the cost of fuel, tolls and repairs. He said he can't remember the last time he ate a restaurant meal, took a vacation or bought new clothes.

The money's just not coming in like it once did for independent truckers. It doesn't help that these owner-operators live in one of the nation's costliest areas and that demand for their services is waning as the recession reduces the amount of cargo moving through the port.

A recent study by Rutgers University suggests Hyppolite is not alone among roughly 5,100 port drivers who lease or own their own trucks. A team led by David Bensman, a professor of labor studies and employment relations, found their average income was just \$28,000 after expenses. That's about half of what they made before the trucking industry was deregulated in 1980 in inflation-adjusted terms, he said.

The study also said most of these independent truckers, who account for 73 percent of the 7,000 truck drivers who work regularly at the Port of New York and New Jersey, have no health insurance.

Hyppolite, who is divorced, estimated his annual income at \$20,000 after expenses. That compares with \$35,000 for about 1,900 direct employees of the port's trucking companies, the study said. The median household income for a family of four in New Jersey is \$94,441, according to the U.S. Department of Health and Human Services.

"Guys are losing their trucks and their homes," Hyppolite said as he stood beside his rig at Tullo Truck Stop in Kearny. "My truck was repossessed in September because of missed payments -- I had to pay \$2,000 to get it back."

Retail diesel prices that surged to \$4.76 a gallon over the summer helped erode driver living standards. The average price at the pump for a gallon of diesel is now about \$2.04, a 49-month-low, but fuel prices have more than doubled in the last decade.

"The guys (independent port truckers) just have no control over anything," Bensman said. "They have the illusion of being

independent businessmen, but the reality is that they're dependent on everyone else in the industry -- on the brokers, the terminals and the trucking companies."

The Rutgers survey was based on random interviews in March and April of 2008 with 229 truckers working at facilities at the Port of New York and New Jersey. Another 70 surveys were compiled from port truckers participating in focus groups.

The network of facilities in the Port of New York and New Jersey is the largest port complex on the East Coast of North America. The Port Authority of New York & New Jersey, which is the port's landlord, declined to comment on the study.

Tom Adamski, a past president of the New Jersey Motor Truck Association, said he suspects the study captured a snapshot of the poorest segment of port truckers.

"There's no question there are some abuses, but they don't define the industry," Adamski said. "A lot of guys are doing well and running topflight equipment."

Sean McShane, president of Fords, N.J.-based Transportation Made Simple (TMS), said everyone in the cargo industry is suffering as a result of the decline in trade activity, from the shipping lines to the trucking companies to the independent truckers.

The value of the goods and services being imported into the U.S. and exported to other countries fell in each of the final six months of

2008, according to the U.S. Department of Commerce. Exports fell 20 percent to \$133 billion during that period and imports fell 24 percent, to \$174 billion.

Customers are seeking rate reductions from trucking companies, according to McShane. Those reductions have to be passed on to owner operators by trucking firms like TMS, which generate only 4 cents profit on every dollar of sales, he said. TMS employs independent truckers at seven U.S. ports.

"This is the worst year ever," said McShane, who has been in the trucking industry since 1984. "Our industry is going through a difficult period and owner operators are getting squeezed."

For Hypollite and fellow independent truck drivers Rafael Prestol and Orlando Marcano it's not just an issue of wages. It's also a question of working conditions and respect.

"I'm not proud of being a trucker anymore," said Prestol, 51, of Jersey City, who estimates his annual income at \$16,000. "I used to have time to spend with my family -- we'd go fishing or to the movies. Now I go to work when it's dark and I come home when it's dark."

Marcano, a 51-year-old U.S. Army veteran from Perth Amboy, agreed.

"I lost my pride two or three years ago," said Marcano, who estimated his annual income at \$23,000. "Trucking was never good, but it's gotten worse since I started driving in 2001.