

Driver Turnover

Year to date driver turnover has not quite reached the initial expectations projected by industry analysts late last year and earlier this year. However, we too have noticed more driver unrest than we have seen in previous quarters. The initial capacity shortage resulted in more miles for drivers which helped their gross incomes compared to the previous couple of years. Now, as CSA begins to take hold and drivers are being aggressively recruited by carriers, drivers are realizing their value has increased. Carriers who have invested millions of dollars replacing aged equipment must have drivers in the seats to pay for them. Regardless of CSA/HOS, most industry experts are predicting substantial driver wage increases in the coming months as carriers must pay for new equipment.

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Truckload Driver Turnover Rises to 3-Year High in 2nd Quarter

The turnover rate for over-the-road truck drivers rose to 79% in the second quarter, according to American Trucking Associations' latest Trucking Activity Report. **It is the third quarter in a row of increased churn in the driver market.**

The turnover rate for drivers at large truckload fleets rose four basis points from the first quarter's rate of 75%, pushing the rate to its highest point since the second quarter of 2008.

"Even though the increase was small, we still believe **the market for quality drivers is getting extremely tight and fleets are aggressively recruiting to fill their openings,**" said ATA Chief Economist Bob Costello.

The slowdown of the economic recovery has affected the turnover rate, he said. However, if the economy continues to improve we'll see further tightening in the driver market and a renewed risk of a severe driver shortage.

Turnover at small truckload companies and less-than-truckload fleets actually fell in the quarter, dropping to 47% from 50% for small TL firms and to 6% from 8% for LTLs.



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