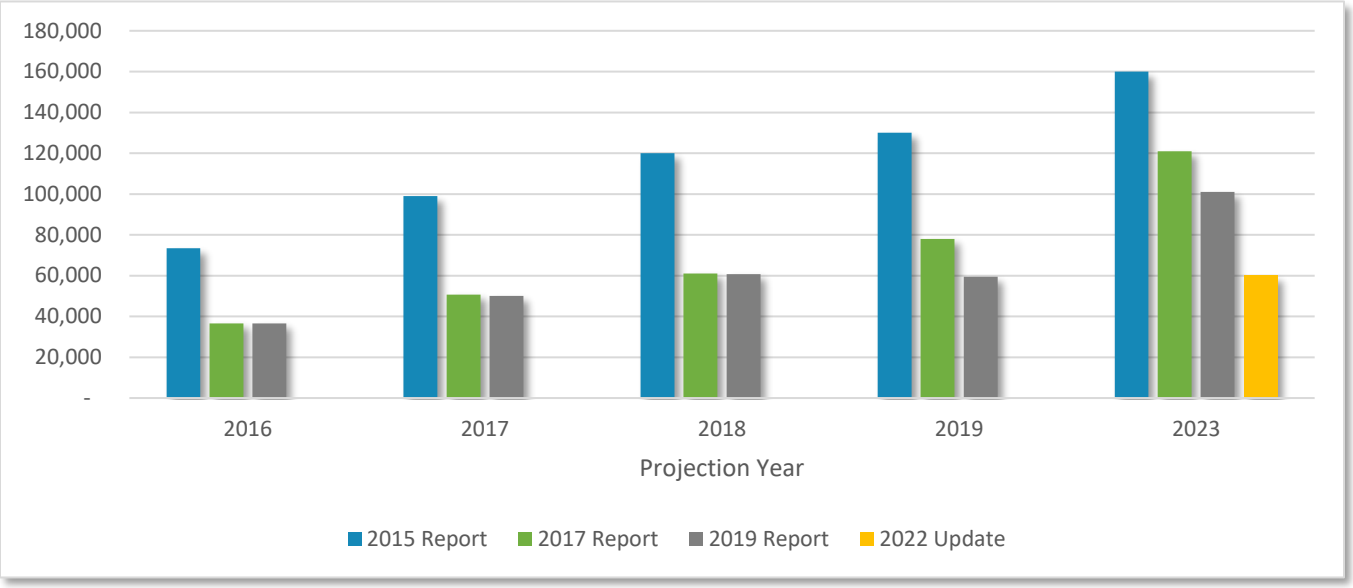
ATA's "Driver Shortage" Refuted By … ATA

The American Trucking Associations (ATA) has claimed a perpetual driver shortage for nearly 40-years. Such an ongoing shortage however is not possible. The historical market pattern of the trucking industry provides overwhelming evidence that ATA's claim of a long-term shortage is without merit.[1, 2]

How does ATA arrive at their driver shortage "data"? While ATA has been regularly reporting on this issue since the 1980's, they have **never shown their work** to demonstrate methodology. The graph below demonstrates ATA's predictive inaccuracy based on their own retrospective reporting.

Figure 1: ATA Driver Shortage Predictions by Report Year



Comparing these figures, we see ATA's projections change in every report. For example, ATA said the driver shortage would reach 73,500 in 2016 according to their 2015 report. However, the 2017 and 2019 reports placed this number at only 36,500, equating to a difference of 37,000. **They were off by 50%!** This pattern of inaccuracy is consistent. The 2015 report projected a driver shortage of ~120,000 in 2018, while the 2017 and 2019 reports put the figure closer to 60,000, representing **another 50% reduction**.

Worse still, the 2015 report estimated a driver shortage of ~160,000 in 2023. ATA's 2022 update[3] changed this figure to ~60,000, a 62.5% reduction. ATA isn't just 62.5% off, **they're a 100% off** because there's no shortage to begin with.

The bottom line: These large discrepancies, coupled with a lack of transparency, call into question ATA's policy prescriptions for a problem that simply does not exist. ATA's shortage predictions are neither reliable nor valid. In 2023, ATA submitted written testimony to Congress that the industry would need to hire 1.2 million drivers over the next decade and the shortage would reach 160,000 by 2031.[4] As should be obvious by now, there is no driver shortage. ATA's projections are grossly inaccurate at best, and purposely misleading at worst. Bad information leads to bad policy.

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[1] Burks, Stephen V. and Kildegaard, Arne and Monaco, Kristen A. and Miller, Jason, When is High Turnover Cheaper? A Simple Model of Cost Tradeoffs in a Long-Distance Truckload Motor Carrier, with Empirical Evidence and Policy Implications. IZA Discussion Paper No. 16477, Available at SSRN: https://ssrn.com/abstract=4587413

[2] https://www.bls.gov/opub/mlr/2019/article/is-the-us-labor-market-for-truck-drivers-broken.htm#_ednref1

[3] Bob Costello, "Driver Shortage Update 2022," ATA (Oct 2022), Available here

[4] https://edworkforce.house.gov/uploadedfiles/spear_testimony.pdf