

Galerie Agora, Rue du Marché aux Herbes 105, Bte 11 B-1000 Brussels Telephone +32 2 285 46 60

Fax +32 2 280 08 17 Email: etf@etf-europe.org www.etf-europe.org European Transport Workers' Federation Fédération Européenne des Travailleurs des Transports Europäische Transportarbeiter-Föderation Federación Europea de los Trabajadores del Transporte

Brussels, 12 May 2017

Violeta Bulc European Commissioner for Transport

Dear Commissioner Bulc,

## Re: The reality of port work

Ports are critical to European economies and so is port work. It is indeed in everybody's interest to have efficient and competitive ports. The ongoing Spanish dispute reopened a debate that had been kept somehow silent for some time, about the competitiveness of European ports and the role of port labour. You have personally contributed to this debate, notably during your recent trip to Madrid.

We feel therefore the need to state our points of view on the reality of ports and port work in Europe.

It is a myth that European ports are not competitive and that this is mainly, but not only, due to port labour. In the past, port labour was even listed amongst the 'bottlenecks' of the European port sector. The presumed lack of competitiveness of European ports was raised so many times for so many years also, but not exclusively, by Commission's representatives, which it became an undisputable truth in debates over ports and shipping.

Are EU ports really uncompetitive? We have already argued in the past against the superficiality of these kinds of allegations. It would be interesting to know compared to which other ports EU ports are not competitive. We are certainly not competing with Asian ports, so we find all comparisons with productivity in Asia irrelevant.

Let's just take the example of two areas in the EU. If we take the situation of the Mediterranean, undeniably there is a fierce competition from the transshipment ports on the southern Mediterranean shore. Obviously, we are not able to compete with those ports in terms of labour costs. The solution is therefore to try to compete on other dimensions. Establishing special tax regimes for transshipment ports that are struggling to survive could contribute to enhance their competitiveness. Implementing more effective and coherent funding and related neighboring policies may also help: as you probably know, some of the terminals that are directly competing with the EU ports have been cofinanced with EU money.





Looking at the North Range, we have five big ports, and several others of smaller dimensions, that are competing with each other to get adequate volumes so as to make port operations economically viable. Poorly conceived investment plans lacking any kind of coordination, coupled with an unjustified push for automation, have generated overcapacity in certain ports, and terminals are now struggling to survive. What emerges looking at the North Range is also that those ports that have some kinds of labour pools present not only higher productivity, but are also more resistant to the impacts of the economic crisis. Why? Because they guarantee flexibility and social protection, continuous availability of a trained work force to employers and continuity of employment to workers.

We often hear also that European ports have to evolve in order to meet future challenges. European ports are actually evolving, as is work in the port. Over the last decades, Dockers have not stopped adapting to the changing face of the maritime industry. The number of people working in ports has shrunk due to technological developments. We have retrained and changed our jobs in order to be able to work with new technologies and working methods. If however what is asked is to adapt to patterns of employment promoting precarious work and deregulation, our strong and loud answer is: no! Over the last decades we could not find any concrete proposal from the Commission aimed at protecting port employment or generate new jobs in the sector

Dockers are strong because they are united and have a solid sense of belonging to their ports and to their communities. Working in a port is for dockers the most beautiful possible way to earn their living. Yet, dockwork is a very hard work and it is also a very dangerous profession. If in some ports we have good working conditions, it is because we fight for it, because we deserve it and because we have strong bargaining power. Is there something wrong with this? Remember that in front of us we have big and strong counterparts that in most of the cases are part of bug global groups, such as terminal operators and shipping lines! What is more, currently shipping lines are integrating more and more the role of terminal operator. At this moment 48% of all containers are handled by shipping lines in their role of terminal operator. So the pressure is on dockworkers and on their unions. We are negotiating now not only with the terminal operators but also with their customers and shareholders!

The ongoing reform of port labour in Spain has been accompanied by a shameful communications campaign aimed at presenting dockers as privileged and overpaid workers in the hope of winning the support of the public for the proposed reform. We do not intend to discuss specifically the Spanish case here, as we have already extensively stated our views on it. We would however like to point out that this attitude is not new and that in the past several EU Commissioners and EU civil servants have contributed to fueling this kind of allegations against port workers. Our appeal to you is to get over this approach and to try to look at the reality of port work.

If you really aim, as you declared several times since you took office, to improve working conditions in transport and to make the sector more attractive to workers, you should get inspiration from those ports where working conditions are equal for all workers, and not established according to their country of origin. You should be inspired by those ports where there are arrangements in place guaranteeing that trained workers are always available, providing flexibility. In ports, we do not have the problem of attracting and





retaining young workers, as with other sectors. Why? Because working conditions are in general decent. There is no other way to make a sector attractive to workers.

Of course, there are also many problems in European ports, which EU and national ports policies should deal with. We would just like to give you a few example here. You certainly know that in your own country, Slovenia, port workers are struggling against a gangmaster system that is used to supply casual workers to the port and takes the sector back to the 19<sup>th</sup> century.

In certain European ports, operators and their workers are suffering from the impact of overcapacity: terminals keep being built while cargo is not growing anywhere. Overcapacity is not good for working conditions, as you can easily guess, because operators are forced to cut costs in order to accommodate users' needs and attract them.

In Rotterdam, we expect a loss of at least 800 jobs due to robotisation and yet our Dutch members struggle to have a meaningful discussion on this with politicians. You appear to be an automation-enthusiast, yet we have never heard you talking about the consequences of automation on jobs, workers and on the society at large. For instance, who is going to pay taxes when jobs are being replaced by robots?

These are just few examples that we would like to provide you to try to rebalance the ongoing debate. As a European Commissioner, we expect you to look at facts, and not only consider the points of view of the institutions you represent, but also those of the working people who move Europe forward.

I take the opportunity of this letter to invite you and discuss directly with our Dockers' Section about our analysis of current state of the port industry and about our proposals for a socially sustainable future of EU ports.

Yours sincerely,

Terje Fenn-Samuelsen

ETF Dockers' Section Chair



