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How do we repair the cracks in the road haulage industry?

The COVID-19 pandemic has catapulted the road transport industry to the forefront of this crisis. On the one hand, drivers are cheered and applauded for delivering food and medicine. On the other hand, the pandemic has laid bare their working conditions and the pitfalls of the industry; it's no longer possible to sweep these issues under the rug and ignore them.

The road haulage industry might deliver when it comes to goods, but it **falls short when it comes to fair competition, compliance with EU and national rules, and social standards.**

What must emerge from this crisis is a revival of the road transport industry that does its drivers justice, and the ETF knows just the way.

But first, let's look at how the road haulage sector got where it is, in the first place.

Financial crisis of 2007-2008

Let's circle back to the last economic crisis which dragged the haulage sector into a spiral of unsustainability: **unsustainable prices, and unsustainable business models, based on fraud and illegal practices.** In their haste to respond to the calls for prompt economic recovery, road freight operators chose to reduce costs to stay in business drastically, and ultimately resorted to cutting down on labour costs. Thus, they set out to serve industries that have gradually recovered from the recession but reduced to the status of the lowest-cost freight transport service of Europe.

The past economic crisis saw many hauliers set up fictive subsidiaries across Europe, to circumvent payment of legal wages and social security contributions. The chances of them being caught were next to nothing: by the end of the last decade, Member States had already slashed national and cross-border enforcement capacity by up to 75%.

2010: post-crisis

Since 2010, under the tolerant eye of the EU legislator, illegal practices have mushroomed in road transport. Letter-box companies, subcontracting with extremely disadvantageous conditions for hauliers from poorer Member States, and a massive reliance on cheap labour brought the sector to its knees.

Fast-forward to present day

By 2017, the working conditions in the sector had become so precarious that hauliers had to rely on non-EU nationals to drive their lorries. In 2019, the European Commission reported a drastic increase in third-country drivers working in the EU. A number that had increased despite the many EU drivers becoming fed up with being away from home for months, sleeping and eating in their vehicles, driving around Europe to deliver goods on minimum wages and – as proven by this pandemic – lack of access to health care and social benefits.

COVID-19 brought all this to a halt. The month of March saw an exodus of drivers and lorries to their original countries of residence and / or registration, hence the colossal traffic jams at EU borders. They weren't transporting masks or toilet paper; they were just going home. So much for the European Commission's good intentions to keep the flow of goods moving across borders.



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March also saw the adoption of derogations to the driving and rest time rules by Member States. In their view, derogations were needed to address the urgent requirement for food and medical equipment. Daily driving hours increased, and daily rest periods shortened. Drivers can now be made to drive as many as 112 hours within two weeks, 22 hours more than the standard legal limits! Many Member States reduced the weekly rest from 45 to 24 hours, for the entire March-May period, with no possibility of compensation for the remainder. Drivers are made to drive around-the-clock without access to toilets, running water and food while on the job due to the closing of parking areas and petrol stations all over the EU.

We understand the emergency request for cross-border transportation of goods of strict necessity. However, this will soon be replaced by a call for a fast economic recovery across Europe. We support this, but not as a repeat of 2008. We cannot ignore lessons from the past, and once again rescue the EU economy at the expense of drivers' working conditions. Nor can this recovery further encourage the low-cost service status of the sector. Especially when the European Commission might want to revisit the green deal objectives in a year or two. Indeed, repeating the same mistakes and making road transport even cheaper and implicitly fraud-based will increase, once more, its dominance over other modes of transportation.

ETF's solution

The ETF calls on EU Institutions and national governments to start implementing measures now:

- The **adoption of the Mobility Package** without delay.
 - A systematic investment, starting now, in national and cross-border **enforcement and capacity for inspections** in road transport.
 - **No further extension to the driving and rest time derogations.** The exit from the COVID-19 crisis should be done gradually and with care as should the increase in cross-border transport volume. Member States have enough labour force to cope with a gradual rise in domestic transport and short-haul cross-border journeys. For trips of this type, hauliers are in a position to organise drivers' schedules in full respect of the legal driving and rest time limits, and of weekly rest provisions as set forth in EU law. To extend these derogations just for the sake of boosting long-haul transport may prove premature and certainly fatal in terms of road and driver safety. As lockdown measures gradually lift, there will be more traffic on the EU roads. Member States may - regrettably – favour the use of private cars as a transitory measure, pending full workforce mobility. Thus, maintaining the current driving and rest time derogations will be detrimental to road safety.
 - **Reintroduce the ban on weekly rest in the vehicle with immediate effect.** There is no long-haul emergency delivery to justify lifting this ban. Nor are there health and safety conditions in place to support this pointless derogation. To this end, we would rather see the need for a temporary suspension by the European Commission of the rule according to which drivers can consent to spend daily rest onboard their vehicle. Indeed, with this rule, drivers can be made to spend as long as 12 days on the road in their lorry. This legal provision should be scrapped until roadside rest areas and sanitary facilities reopen all over Europe.
- Last but not least, based on the Member States' exit strategies, we urge the European Commission to come up with a viable prospect on the gradual reopening of various economic sectors with a forecast on how transport will be used to accompany this process. This will be vital in planning the revival of road transport, both in passenger and freight, in full compliance with the rules and with full regard to the future sustainability of the sector in a multimodal context.



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