

# ETF first reaction to the Smart and Sustainable Mobility Strategy

2020 has been an extremely turbulent year for the transport industry and its workers. Hence the European Transport Workers' Federation (ETF) welcomes the publication of the Smart and Sustainable Mobility Strategy, aiming at emerging from the COVID-19 crisis as a more resilient and sustainable sector. In this first reaction, we would like to share our initial remarks on the Strategy and the planned initiatives.

- As mentioned above, the COVID-19 pandemic hit the transport sector hard. However the Strategy mentions only in a very cursory manner the impact it had on the workers, while thousands of them lost their jobs due to lockdown measures, and thousands of others have been burdened with additional work, stranded away from home, exposed to health risks or deprived of necessary facilities. Some of these issues highlighted social dumping present in the sector for years, with workers employed by letterbox companies or in bogus self-employment, therefore without any proper social safety net.
- ETF acknowledges that the analysis in the Strategy and especially in the Staff Working Document presents some progress in assessing the long-term social issues in the transport sector. Transport workers are indeed, quoting the Strategy, *'the sector's most valuable asset'*, while suffering from harsh working conditions and lack of enforcement of labour regulations. We also support the claim that *'Providing higher social standards would contribute directly to reverse the current general lack of attractiveness of the sector'*.

## Fair single market

- We therefore welcome the Commission's promise to consider strengthening the legislative framework on conditions for workers, as well as clarifying and enforcing applicable social rights. It is however regrettable that the action plan attached to the Communication does not provide much details how this commitment would be implemented. [The ETF answer to the Commission's public consultation](#) provides a list of suggested initiatives that should be taken into account.
- For instance, regarding the civil aviation, the Strategy does mention that the sector faces specific social challenges, no details are given though how they will be addressed. Given the complexity of the industry, it should have a unique legislative framework on conditions for workers. This framework should include specific consideration for cross-border issues such as posting, and the prevention of social dumping. Taking into account the civil aviation's complex employment models, this too should be clarified in a cross-border context. Clarity and

certainty should be given to all aviation workers to ensure they are not subject to unfair labour practices from within the Union.

- As regards the maritime transport, the description of the current state of play in the Staff Working Document seems accurate. Yet the initiatives mentioned in the action plan accompanying the Strategy do not match the identified issues. The problem of a decreasing number of EU seafarers and unfair competition in the port sector could be for example addressed via explicit social conditionalities added to the Consortia Block Exemption Regulation and Maritime State Aid Guidelines.
- The Commission correctly recognises that there is room for improvement in terms of road safety. ETF research has uncovered that professional drivers' fatigue is a 'chronic disease' in Europe's commercial road transport. The real causes are poor employment and working conditions of truck, bus and coach drivers. Understanding the real causes of fatigue is crucial for effectively counteracting it. Hence, to tackle driver fatigue and thus to improve road safety, urgent policy measures and better enforcement of the current EU rules are required.
- The Strategy praises the 4<sup>th</sup> Railway Package as a way to a better offer for customers. Competitive tendering means however a race to the bottom with cost cutting as main concern, not quality. Additionally, the Railway Package does not offer sufficient staff protection in case of a change of an operator.
- The announced revision of the State Aid rules and PSO guidelines and rules should lead to an improvement of working conditions and eradication of transport poverty, not the opposite. The impact of the pandemic made financial support from national budgets essential for passenger transport to survive. The revised rules must however include strong conditionality clauses, such as obligatory collective bargaining in place.

### **Green and social transport**

- The Strategy repeat the long-standing objective of fostering modal shift. However, it does not identify fully the reason why the previous targets have not been reached: artificially low transport costs in certain modes of transport. Although the Commission rightly stresses the need for stronger 'polluter and user pays' principle, the Strategy does not address the problem of externalising labour and social costs. Greening the transport sector and especially road freight must be accompanied by strong social measures as there is an undeniable link between social and environmental sustainability.
- Road transport is cheap, mainly because road operators cut down on labour costs circumventing laws and resorting to dumping practices, such as making drivers work long hours and not paying them well. And because it is cheap, road transport continues to grow fast leaving little chance to other modes. We need a fair price for road transport and this will only be achieved if it includes the full cost relating to drivers' health, safety, and benefits. Without that, businesses basing their models on social dumping will keep their unfair competitive advantage.



### **Worker-centred digitalisation and automation**

- The Commission correctly recognises that automation and digitalisation in the transport sector poses a significant number of jobs at risk, while other job profiles will change. ETF has been highlighting for years that the introduction of new technologies should be first and foremost based on human-centred approach. However, the Strategy lacks any references to the social aspects of digitalisation and automation such as impact of algorithmic management on workers or liability issues. Additionally, the foreseen publication date (2023) of the recommendations for the transition to automation and digitalisation and their impact on the transport workforce seems too distant, taking into account various studies and work the Commission has already done, as well as the reports issued by EU Social Partners.
- The deployment of new technologies should be accompanied by a risk assessment of their impact on working conditions. Preliminary social impact should also be conditional to any public funding and co-funding which involves development and implementation of new technologies. It is therefore key to involve workers and their unions in a structured dialogue from the very early stages. Collective bargaining is the right tool to ensure a just transition and safe workplaces. For various reasons, some of which are the direct consequence of transport policies collective bargaining coverage is not very high. It should be the Commission's and Member States' role to reinverse this trend and actively support, through a broad and ambitious strategy, collective bargaining in the sector.
- We welcome the Commission's plan to address the issue of ride-hailing platforms in the transport sector. Integration of new mobility services with local public transport, e.g. via MaaS platforms, should be conditional to their compliance with existing labour, fiscal and licencing regulations.

### **Just transition**

- Mass shifting of modes of transport will inevitably result in job losses. For this reason, just transition practices must be put into place with the full involvement of social partners. They should ensure employment, pay and working conditions are maintained or improved. Ideally such a transition should take place between transport modes, e.g. aviation to rail.
- We welcome that the Commission is planning to apply equality mainstreaming to its transport related policy initiatives and quotes in the Staff Working Document the ETF survey findings on the barriers encountered by women transport workers. However, the action plan does not include concrete action on how these barriers that make the transport industry unattractive for women can be eliminated.

As ETF we are committed to work on shaping the future of the European transport in a socially sustainable manner, and we are ready to explore needed changes together with the Commission. ETF will also closely follow the Commission's implementation of the Strategy to ensure that the workers are indeed treated as the sector's most valuable asset.

