

# ETF position paper on European passenger transport

#### 1. Modal shift to rail in passenger transport must be a top priority.

In its 2011 transport White Paper and more recently in the December 2019 Green Deal, the European Commission has recognised that an increase in transport by rail is an essential contribution towards climate protection.

In its Seventh monitoring report on the development of the rail market the European Commission states that "The Rail is the only transport mode to have reduced GHG and CO2 emissions almost continuously since 1990, while carrying about 13% of freight and 7% of passengers on all modes (EU27, 2018). As such, rail is comparatively less polluting and more energy-efficient than other motorised means of transport. In 2018, rail accounted only for 0.4% of both transport GHG and CO2 emissions and for 2% of transport energy consumption in EU2710. To meet the objectives of the European Green Deal, rail will have to take up a bigger share of passenger and freight transport."

However, this push for more rail transport has not yet translated into a larger modal share for rail in passenger transport. According to the Commission's report the "total number of EU train kilometres (both passenger and freight train movements) has remained substantially stable over the past 10 years" and "rail passenger traffic is still mostly domestic, with only 7% of it crossing borders in 2018".

This means that despite efforts to promote rail transport, including the <u>liberalisation of the sector</u> in the past 30 years, the share of rail has not grown accordingly in the past. Now in view of climate change, expectations for rail are high with the ambition of doubling high-speed rail by 2030. To achieve these ambitious but necessary goals, rail passenger transport must be urgently promoted and a substantial proportion of individual road transport and air traffic is to be shifted to rail.

The ETF Railway Section expressly welcomes this objective. However, we call for setting clear modal shift targets and implementation of courageous and concrete means. A sustainable transformation of the transport sector must focus on more than writing green headlines and also be socially sustainable.

Throughout the Covid-19 crisis, rail passenger transport as public service has continued to provide services for people to reach their working places, schools and universities. Even during the height of the crisis, passenger trains ran across borders quickly and reliably. Without question, our societies have deemed workers in passenger transport key workers who despite the risks to their own health have continued to ensure high-quality and safe transport for the public and notably for other key workers.

Rail is thus proving to be the backbone of the European transport system, which requires the reliability of services. Therefore, we now urgently need concrete steps in European transport policy for the sustainable growth of rail passenger transport.

The Commission's strategy for sustainable and intelligent mobility must set the course right now to strengthen European rail passenger transport in a targeted manner within the framework of the Green Deal, the Fit for 55 package and the economic stimulus packages to rebuild the transport system. Economic and climate policy must now go hand in hand!

### 2. We call for binding modal-shift targets and concrete measures in passenger transport in Europe

First and foremost, political decision makers must find the courage to set clear priorities in transport policy. This is a prerequisite for the necessary transition in the transport system. The next crucial element is coordination and integration. A strategy towards more

sustainable multimodal mobility can only succeed if it is effectively coordinated and integrated with other policies on all policy levels.

Therefore, transport policy in Europe must be developed across all modes of transport. Promoting individual modes of transport in isolation from one another or financing individual measures without taking into account the overall goals of climate protection and modal shift is not effective. A holistic and cross-modal approach should focus on the full internalisation of external costs and eradication of social dumping in all modes of transport to establish a level playing field.

We call for binding modal-shift targets that should be defined at European level and for defining the share of rail passenger in total passenger transport that must be achieved in Member States with clear deadlines. Clear targets give orientation and planning reliability to all players and are a necessary basis for decisions about infrastructural development and capacity planning that will decide the modal split for the next decades.

We appreciate that the European Commission says "decisive action to shift more activity towards more sustainable transport modes (notably increasing the number of passengers travelling by rail and commuting by public transport and active modes) must be taken" But to achieve this we need a proactive joint European approach, of the European Commission, Parliament and Member States to invest in rail.

It is not enough to focus only rail on corridors. Looking at long-distance passenger transport, we need to create an extensive rail network with fast and reliable high-speed connections, long-distance trains and night trains that can serve as an environmentally friendly and efficient alternative to short-haul flights within Europe. However, the majority of kilometres travelled are within the region, as part of the daily commute to work or to go to school. We need a better network of connections, more frequent services and multi-modal transport options to make public transport the best alternative to car ownership for this daily mobility in urban areas, urban peripheries and rural regions. Such a policy should have a real focus on green mass transportation and its reliability, efficiency and affordability.

Although actions targeted directly at regional and local transport in member states is best defined and implemented at national and regional level, the EU level can support national actions by elaborating common targets for sustainable future mobility.

As in most Member States clear targets and coherent strategies for more sustainable multimodal mobility are still missing, the EU should oblige Member States to develop such a strategy in a given timeframe and monitor the progress of implementation. A concrete measure at national level could be the development of a master plan for passenger transport. Such a master plan should create a common vision for affordable and environmentally friendly mobility in the future and define steps to achieve this. The plan should include targets for a higher market share of rail and public transport as well as a time frame for reaching the targets. National governments will then have to coordinate such a master plan in cooperation with regional and local political levels, the providers of transportation services and relevant civil society organisations including customer organisations and trade unions.

At local or regional level authorities should be encouraged to establish sustainable mobility plans, in which rail and public transport should have priority.

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<sup>&</sup>lt;sup>1</sup> COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS Sustainable and Smart Mobility Strategy – putting European transport on track for the future

## 3. We call for higher investments in rail infrastructure and boosting of public transport

Infrastructure funding is of particular importance for the future development of public transport and multimodal mobility. The ability to offer public transport services depends directly on the density, capacity and quality of the available infrastructure.

Modern and efficient infrastructure with sufficient resources to ensure safe, reliable, high-quality and punctual rail operations must be created and financed by expansion and construction of new lines, preservation of the existing rail network and line reactivation.

Therefore, adequate funding is the prerequisite for the development of public transport in the future. Basically, today's transport infrastructure investments determine tomorrow's modal split. Public transport infrastructure in most cases in Europe suffers from underinvestment. Infrastructure that provides essential services instead of maximising profits is the most important element of the entire rail system and should be left in state hands.

We must connect European regions in sustainable ways. Rail provides electrical mobility and can transport large number of passengers over medium and long distances in an energy-efficient, cost-effective and climate-friendly manner. For non-electrified routes alternative drive systems (hydrogen- and battery-powered trains) have to be promoted.

But it is obvious that it will not be feasible to link each possible starting point or destination of a journey directly to rail or a public transportation. Multimodality is a central aspect when it comes to improving reachability. In many cases, for 'the last mile', multimodal transport chains are a sensible solution. Especially in rural areas, multimodal solutions move into the spotlight. Regular line-bound public transport like regional rail should in rural areas form the backbone of a multimodal transport chain. For bridging the 'last mile' (or 'first mile' respectively) the user can combine these line-bound services with other environmentally friendly modes of transport, like walking and cycling, shared bikes, low- and zero-emission buses for use in public transport or other on-demand transport concepts with low- and zero-emission vehicles. Combination with other environmentally transport modes is playing an increasingly important role in achieving the transport and environmental policy objective of shifting more passengers from road and air transport to rail in Europe.

However, cars are still the dominant mode of daily mobility in 22 European countries<sup>2</sup>. However, surveys show that most people in Europe are in favour of expanding rail transport and environmentally friendly multimodal mobility alternatives and are switching or want to switch to such alternatives.

According to the Eurobarometer survey (July 2020) almost 60 percent of respondents using a car for their daily mobility are willing to switch to a more sustainable transport mode. The main reason car users are not ready to switch to a greener mode of transport is lack of alternatives. They must be created, with rail passenger transport as a backbone.

However, instead of putting all its energy into expanding the potential of rail and public transport, the EU Commission is seeking in particular to strengthen sales of electric cars.

It needs incentives and much greater availability of rail and public transport. The service must be developed so that more people can switch to rail and public transport and also combine them with other environmentally friendly modes. This includes a massive strengthening of interval services in rail and bus transport, an increase in capacity, not only in densely populated cities, but also in rural areas. Boosting night train services in Europe will contribute to climate protection in transport.

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<sup>&</sup>lt;sup>2</sup> Special Eurobarometer 495, July 2020

The increasingly liberalised rail systems we see today are not fit to achieve this. Local transport is an essential service and should not be subject to purely business (competition) considerations. Long-running direct contract awarding should be facilitated, as should extensive investments in innovative and carbon-neutral mobility.

## 4. We call for harmonised employment and working conditions in European rail passenger transport

The desired growth in rail passenger transport will create the need for many additional workers. This growth must be used to create better and secure jobs. Employees are the core of the company. For the strong rail passenger transport in Europe, we need a robust system of sufficient staffing levels, with committed and qualified employees. Well trained personnel on trains are crucial for safety, security, and service. We therefore reject temporary work and short-term training!

To achieve a strong system with a sufficient workforce, we need staff who are dedicated to their work. The only way to achieve this is by means of solid vocational training, options for further in-work training and good employment conditions at companies, which also encompasses a positive work-life balance.

However, the creation of the single market for transport was not accompanied by the social harmonisation of employment and working conditions. Due to workers crossing borders numerous times in just a few hours, it is often difficult to resolve matters concerning the wages they should be paid, working conditions, social welfare and occupational health and safety. This also makes monitoring of social measures for transport workers (training, working conditions, social welfare, pay) challenging, and in consequence it is often only monitored to a limited extent or not at all.

Competition within the mobility industry must be a competition between good ideas, not between the lowest wages. The focus must be on the best and the greenest practices for society instead of on social dumping practices producing the highest profits. Equal pay for equal work in the same place must be ensured.

Digitalisation and automation must lead to a reduction in the burden on employees, to an improvement in the quality of work and to a better reconciliation of professional, family and private concerns.

Laws must stipulate that social standards for the protection of workers as well as qualitative and ecological standards apply in local public transport, also for private transport services.

The unsustainable situation must be ended where workers continue to fear losing their jobs or worse wages and working conditions every eight years when contracts are re-awarded. Any new operators must be obliged to take over the staff - as is already the case in local rail passenger transport. We say NO to social dumping in local rail passenger transport tenders and demand more direct contracts.

Subcontracting of services relevant to safety and security (e.g. drivers, conductors, security staff) in rail and public transport must be abandoned.

The regulations for new mobility services today open the door to precarious employment, which in turn puts further pressure on wages and working conditions in public transport. Employees of new mobility services must be effectively protected from exploitation and precarious working conditions, especially by platform providers.

#### 5. We call for level playing field for all transport modes

Today, user costs do not reflect the external costs of transport. The external costs of transport are composed of social costs for society as well as costs for air pollution, climate change, accidents, noise, costs for adverse effects on nature and landscape etc. These external costs are generated when using transport but are not paid for by users. Society as a whole has to pay for them instead. As long as the external costs are covered by society, less environmentally friendly modes and transport modes with worse working conditions will have a competitive advantage over more environmentally and socially sustainable modes with regard to travel costs. For example, the costs of private car use are lower than they should be, which represents an unwanted incentive for only (monomodal) car use and causes further growth of road traffic. Therefore, the EU should aim at internalisation of external costs also for passenger transport.