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ETF Position on the Transport White Paper "Roadmap to a single European Transport Area"

(Com(2011)144 final)

October 2011





ETF POSITION ON THE TRANSPORT WHITE PAPER "ROADMAP TO A SINGLE EUROPEAN TRANSPORT AREA" (COM(2011)144 FINAL)

INTRODUCTION

- 1. The European Transport Workers' Federation¹ is aware of the challenges the transport industry is facing in its endeavor to become more sustainable and to reduce the current impact on climate change to scientifically acceptable levels. The ETF has been working for several years in identifying possible solutions to those challenges not only from an economic and environmental perspectives but also from a social and societal one: first with the TRUST² (Trade Union Vision on Sustainable Transport) project developed from 2006 to 2008, then with the debate that led to the adoption at the ETF 2009 Congress of a Resolution on "A Trade Union Strategy for Sustainable Transport" and currently with the inclusion under the TRANSUNION project (2010-2012) of a pillar on climate change.
- 2. The ETF and its members are indeed conscious that the current state of affairs is not sustainable and are determined to continue to be part of the discussion on finding the solutions that will serve both, the interests of attaining a sustainable transport system and improving the social and working conditions of those who operate it. The European transport system needs rules to secure good working and living conditions and lead to the way for progress.
- 3. The Communication adopted by the European Commission on 28 March 2011 entitled "Roadmap to a Single European Transport Area towards a competitive and resource efficient transport system" is the Commission's attempt to respond to those challenges in a time perspective reaching until 2050. In its own words "...the transport system is not sustainable. Looking 40 years ahead, it is clear that transport cannot develop along the same path."
- 4. The ETF shares this view. Already the TRUST project had clearly concluded that taking no action is not an option. It also considers that sustainable solutions involve a wider set of areas, other than transport. On the one hand much has to be done, for instance in terms of behaviour (modal shift, avoiding un-necessary transport, boosting inter-modality and cooperation rather than competition among transport companies and transport modes) and technological improvements (greener vehicles and fuels, data collection, information exchange schemes) within the sector. On the other hand it is not less true that the problems have to be tackled from other perspectives too, including integrated spatial planning, promoting the societal role of transport and quality jobs. The ETF is committed to contribute by all possible ways to building a sustainable transport policy where the human element and the contribution from all, men and women employed in this sector, to make Europe and the European transport sector a better place to live and work for, is respected, valued and dignified.

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¹ The European Transport Workers' Federation (ETF) represents more than 2.5 million transport workers from 245 transport unions and 41 European countries, in the following sectors: railways, road transport and logistics, maritime transport, inland waterways, civil aviation, ports & docks, tourism and fisheries.

² The conclusions of the TRUST project are available here.

5. On the following pages the ETF discusses the views and proposals contained in the White Paper, in particular those which are cause for major concern. This is followed by the contributions from the different sectors which may further expand their views in their own contributions separately.

"A VISION FOR A COMPETITIVE AND SUSTAINABLE TRANSPORT SYSTEM"

- 6. The ETF agrees with the opening statement of the White Paper: "Transport is fundamental to our economy and society." And what is more, transport has a significant potential for wealth and job creation that must be preserved and enhanced. Any roadmap designed to give European transport the frame for further development and to become a leading global player must therefore take account of the human and social factors associated with these developments. The European transport sector could thus become a reference on the map that leads the way towards a new model for social integration, for efficiency, and for environmental sustainability. It is a sector where by its nature public, private and social actors must converge for the common interest.
- 7. Given the potential for job creation in transportation in the coming years, it will be equally important that conditions for an increasing share of women participation in transport related professions are met. In shaping its vision for the policy, the Commission should keep that in mind. In fact the risk for a shortage of qualified workers, to which the Commission refers, is not a risk but rather a reality that is already affecting a number of professions across practically all transport sectors. Pro-active measures must be urgently implemented in order to improve the image and attractiveness of the industry, including fair pay and decent working conditions for both men and women.
- 8. The ETF has however some fundamental disagreements with the model defended by the Commission for the development of the transport sector. It looks as if by setting the target date for achieving a more sustainable transport sector to 2050 the Commission gives up on the responsibility to act while it is possible and there is still time enough to do so. In fact, although with the current technological developments, emission reduction can only progress at a slow pace, the Commission's proposal lacks in mentioning existing alternative, short term measures that would impact significantly on the urgent need for reducing transport share in climate change. On the contrary, the Commission promotes further continuing transport growth, within policy frameworks that are "relying to the greatest extent possible on market based mechanisms".
- 9. The Commission paper further sustains that curbing mobility is not an option! Whilst the ETF considers that mobility of people is a public good, because it guarantees access to economic, social and cultural life, the formula and expressions used by the Commission indicate that it does not want to interfere in the behavioural aspects of the unsustainable situation we are facing today. Market globalization has generated absurd and resource wasting consumption and transportation habits: they range from the massive individual use of private cars, to the unnecessary but subsidised transportation of basic goods over thousands of miles, to be sold finally in competition with local products³. The result of this and other unsustainable habits have, instead of being banned, for too long continued. Regulation is left to the markets and the parties operating in the markets expected to regulate themselves, whilst claiming that it is for the benefit of a hypothetical 'consumer demand'. This mechanism and the principles that drive it are unsustainable and unacceptable. As long as the Commission and governments turn a blind eye and take no responsibility in regulating or even questioning the ethicality of those trends and habits, the situation will further worsen and remedies will be more difficult to implement.

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³ Table water from New Zealand sold in Europe, Belgian shrimps being peeled in Morocco or even China before they are commercialised again in Belgium, tons of chickens being exported from The Netherlands to the UK against... tons of chickens being imported from the UK to The Netherlands, etc.

- 10. The Commission considers that transport users must pay for the full costs of transport. The ETF is alarmed at the economic approach that combines concepts such as the internalization of external costs and the costs relating to provision of quality, comfortable and affordable public transport services. The idea that public transport passengers should be paying the full cost of the service goes against the concept itself of public service but also counters the attempts to promote collective transport as an alternative to private transportation. The concept that transport users should pay for the full costs is clearly untenable particularly in less populated areas.
- 11. The Commission refers that the investment needed to deliver the proposed strategy his colossal. Even for the targets set for the long term in order to be effective, the investments would have to be done now so that the results can be seen in ten, twenty years. However in the current situation of economic crisis, most European governments will not have the capacity to make the necessary funds available.
- 12. For that reason the ETF considers of the utmost importance that new sources of financing are found. The ETF thus supports the creation of a financial transaction tax and the Eurobonds as proposed by the ETUC, among others, could respond to this imperative need.
- 13. The Commission advocates a number of solutions which the ETF has been defending throughout past years: these include in particular the need for better modal choices resulting from greater integration of the modal networks; enabling rail to become more competitive, taking a greater share of the medium and long distance freight (and passengers) transport; promoting multimodality that is economically attractive for shippers; and more and more efficient entry points into European markets, avoiding unnecessary traffic crossing Europe.
- 14. The promotion of clean urban transport and commuting is welcomed. The ETF is nevertheless concerned over the introduction of the concept of compulsory minimum service obligations, which is clearly aimed at attacking the fundamental right to strike and interfering with the national industrial relations' systems which we cannot accept.
- 15. A number of ambitious targets are proposed in chapter 2.5 of the Communication although setting 2050 as the target date for some of them makes us wonder what the real commitment is. Whilst aspiring to making "the EU a world leader in safety and security of transport in all modes of transport" we insist that this is must become more than just a slogan: we expect the Commission and Member States to truly commit with concrete actions and plans to achieve this objective rather than constantly arguing with the competitive disadvantages this may imply for European businesses, thus backing the arguments used by many employers' organisations who always try to resist the necessary improvement of safety, social and security standards, for economic reasons.

"THE STRATEGY - WHAT NEEDS TO BE DONE"

- 16. In chapter 3 the Commission unveils its real objectives for the transport policy in the coming years: in fact, on the one hand concrete objectives are set with relation to further liberalisation and removal of the so-called "barriers to efficient transport".
- 17. On the other hand, most of the solutions proposed for attaining sustainability objectives remain too vague, distant in time, too much dependent on finding the necessary financial resources or on often uncertain technological developments. There is no mentioning of short term approaches to remedy the unsustainable situation we are already confronted with, while the necessary financial resources and technology are not made available.

- 18. The ETF considers that the "smooth functioning of and effective competition in the internal market" also requires the improvement and "vigilant enforcement" of the social standards, the harmonization in progress of the social and working conditions, the eradication of social and wage dumping practices.
- 19. The ETF regrets that the White Paper does not give the social dimension a primary role in its vision for the next decades and relegates issues such as working conditions to a secondary plan. The philosophy that seems to emerge is one of absolute trust in the market forces (liberalization and further opening of the markets would solve all the problems affecting the sector).
- 20. The Commission should have learnt from experience that waiting for the market to self-regulate and operators to cooperate in a large scale (with the argument of defending free competition), is a mistake with dramatic consequences. Also ensuring a common vision for an EU transport infrastructure policy requires that the Commission plays an active coordination role together with the Member States. This cannot be limited to the definition of a Trans-European Transport network which mainly serves economic purposes. It requires going deeper into an integrated spatial planning put to the service, first and foremost, of the populations.
- 21. Also worrying is the concept the Commission reveals regarding efficiency and reliability of transport services, where it includes industrial actions as a barrier to be removed. Repeatedly the Commission refers to removing barriers, minimum services, "preserving the mobility of passengers and goods in crisis situations" (are strikes to be considered as crisis situations in the Commission's eyes?), prevention of conflicts and disturbance of minimum services. The Commission elaborates on a mystification over industrial disputes ignoring that the right to strike is a fundamental social right to which trade unions turn as a last resort instead of elaborating on how effective social dialogue and participation of social partners to find common solutions can be strengthened that would in fact help to prevent such situations from happening.
- 22. The Commission's proposal to "establish Europe-wide minimum service for workers" goes against Article 153 of the TFEU, which leaves the right to strike as something that is outside of the EU competences. Therefore, the ETF strongly demands the Commission to withdraw this proposal which is in excess of its competences and is an attempt to reduce the right of transport workers to hold industrial actions and strikes and to limit the benefits of meaningful social dialogue and consultation to find socially balanced solutions.
- 23. The ETF equally alerts that industrial actions must stay out of the scope of the content of the "Mobility Continuity Plans". The ETF will never consent on the "temporary adoption of relaxation of specific rules" if this measure is taken to avoid or diminish the right of transport workers in any country in Europe to take industrial actions.
- 24. For the ETF, social dialogue must contribute to and promote sustainable growth, quality jobs, social Europe and fair transport policies. It should be said nevertheless, that for ETF the legislative approach and the negotiating approach are complementary and both are needed in order to develop and maintain social rights. For this, it is necessary that European transport policies fully integrate a social dimension. The ETF further recalls that Social Impact Assessment studies must precede all proposals which may have a social impact.
- 25. The ETF welcomes the intention to ensure employee involvement through European Works Councils, but will continue to strive for the adequate official consultation of workers' organisations including through the sectoral social dialogue committees by the Commission on all matters and proposals at community level that have social implications in the industry. All relevant information and reasonable deadlines must be provided to those

committees, so that they can, in turn, adequately respond to the consultation. The Commission must fulfil its responsibilities as proponent of legislative texts in dialogue with the social partners.

- 26. The White Paper acknowledges that, for the European Union to respond to the infrastructural and technological developments, it is required to attain the sustainability goals, and that massive investments are needed. The present infrastructural capacity needs to be improved starting with the provision of immediate maintenance as there is a major backlog in many areas. It is however clear that in the current austerity scenario which spreads through Europe, the necessary funding will be scarce. Therefore, the ETF advocates strict rules as to which infrastructural projects get priority funding. Cost benefit or environmental impact analyses alone do not suffice to set priorities. The ETF calls for the creation of an all-encompassing method to prioritise those projects creating the most positive social sustainable balance. It goes without saying that the multi-modal aspects of any of these infrastructural projects should have a dominance in the decision making process. Only those projects that promote more climate friendly transportation should be assessed.
- 27. In addition to the comment regarding the idea that users should pay for the full cost of transport (see para. 10 above), the ETF alerts to the need to ensure that charges on transport cannot be seen as just another source of income of the States' finance. These resources should instead be earmarked and used for financing environmentally sustainable infrastructure, implementing safety and security plans and controls, developing training and education activities within the industry. Quality of training is strongly linked with the quality of work and services delivered.
- 28. The ETF fully endorses the proposal to work more closely together with other international bodies and organizations as transport exceeds European borders. A sustainable and climate friendly solution will only be reached to its full extent if implemented at global level.
- 29. One of the proposals the ETF submitted to the Commission as a result of the TRUST project was the creation of "a European social and environmental observatory in transport that monitors and proposes legislative and other measures when the sustainability objectives fail". We here reinforce that pledge and reaffirm European transport workers' commitment to cooperate in finding sustainable solutions that will serve business interests while providing the highest possible social standards and having the lowest possible impact on the environment.
- 30. The ETF must stress that transport trade unions are ready to contribute for finding, together with policy makers and employers' organisations, the solutions that will make European transport policies deliver economically, environmentally and socially sustainable services with quality jobs.

SECTOR SPECIFIC COMMENTS

INLAND WATERWAYS

31. The ETF Inland Waterways section welcomes the decision of the European Commission to continue the NAIADES action plan for Inland Waterways and moreover welcomes the initiative to provide the action plan with its own financial resources. Many of the work packages are well underway but need additional time and resources to be completely tailor made to this very specific industry and its needs. The new timeframe of 2012-2020 seems a very realistic horizon to produce the stimulae and oxygen required.

- 32. The ETF regrets that, contrary to other transport modes, nothing is proposed with regard to a social agenda for Inland Waterways. The fact that various institutions and organisations are competent in various areas of socio-economic aspects of the industry, often leads to uncertainty and ambiguity. Some of these aspects are abused by those who seek to gain advantage of legislative gaps and controversies to benefit from social dumping and unfair competition at the workers' expense.
- 33. The lack of "flag state legislation" in Inland Waterways adds to the existing ambiguity as well as the deficient controlling capacity. The ETF demands uniform and unique European legislation for the industry providing clarity for both workers and controlling bodies and a genuine legal link between the owner of the company and the social rights of the workers on board.
- 34. The lack of qualified workforce is one of the key priorities in Inland Waterways and addressed by work package 3 of the Platina action platform of Naiades. We notice however that whilst issues like education, harmonisation of social security systems, harmonisation of working time and manning requirements are being addressed at EU level, at the same time other phenomena are spreading in the industry such as outsourcing relocation and delocalisation, low paid third country nationals, manning agencies, post box companies. The ETF agrees to actively participate in any dialogue in the quest for remedies for the growing shortage of qualified workers, but only if quality employment is effectively envisaged and not the mere cost cutting exercise we encounter in most transport related industries. The ETF is of the opinion that "job attractiveness" is the only way to facilitate young people finding their way to the EU IWT sector.
- 35. The fact that the European Commission adopted new legislation on harmonised rules on social security that does not take into account the nature of mobile workers is beyond all reason. The Social Partners have met several times with the responsible European services in order to remedy the full effect of the blind implementation but so far without any positive outcome. For the time being the European IWT sector can still benefit of the longstanding CASS regulation a regulation that came about via a tri-partite structure including the social partners. The ETF will continue to participate in any debate with the employers' organisations in order to find a suitable, but most of all, more social regulation.
- 36. We welcome the industries' call for a level playing field, not only in the field of tax harmonisation, but most of all in the area of social security, working time and working conditions. A call for uniformity as to the operational framework of a transport sector can only be duly justified if indeed at the same time a social level playing field is created. It goes without saying that such a social level playing field can only be established and maintained if European labour law and contract law is installed and properly controlled and enforced.
- 37. Another surprising element in the annual monitoring report is the call for a regulatory framework on the access to the market. A true and remarkable statement on behalf of one of the EU Member States is the call to establish and develop "corporate governance" for each and everyone who wants to start up an IWT company in the EU. The ETF fully endorses the justified call for a coherent set of competences and skills, including the comprehension of national and EU IWT law for all those who seek to employ workers on board of inland waterways vessels. Workers in the EU need a guarantee against mismanagement, bankruptcy and modern forms of slavery. Potential "employers" need to prove their thorough economic, social and commercial entrepreneurship. And at the same time this proof of competency will settle once and for all the issue of the compulsory insurance and limited liability.
- 38. Today's generation of job seekers has a completely different set of aspirations and mind set than the previous ones. Work family life balance is permanently monitored and adjusted as they are perceived as equally important. The mere nature of the industry renders such a

combination very difficult, but not impossible if a set of modern, flexible but foremost social working conditions would be offered. Unfortunately this is not always the case and needs permanent attention and improvement, as bad practices risk contributing to furthering the lack of attractiveness of the sector.

- 39. The EU IWT Social Partners are in the last phase of their negotiations on EU Working Time. Within the Sectoral Social Dialogue Committee social partners have been negotiating for years a tailor made, workable, working time regulation for the very specific conditions that define the industry.
- 40. The EU IWT Social Partners are currently also developing professional profiles in order to streamline the EU skills and competences. Training, education and vocational training come hand in hand when discussing skills and competences. The industry needs productive, but most and foremost safe and skilled workers. Yet, the ETF encounters much hesitance when discussing training and educational matters. Some parties say that the lack of harmonisation in this area lies at the heart of the workforce shortage, but at the same time complain that the training periods are too long. The ETF participates actively in the dialogue on professional profiles and vocational training for the IWT sector, but we can only endorse those training schemes that are aimed at delivering skilled workers who have "safety and security" in the back of their minds at all time, making the EU Waterways a safe environment to work in. The call for "fast track", cheap low skilled workers must be fought with determination.
- 41. The financial crisis left the EU IWT sector behind with an overcapacity in ships. Current market indicators clearly show a slow but certain recovery of the industry. If properly accompanied with EU regulation, the crisis could have as a positive side effect a partial renewal of the fleet and thus rendering the IWT even more environmental friendly and attractive. Some of these vessels at the moment unused could be put into service of an EU funded educational programme in order to produce qualified workers for the industry in a more coherent and speedy way.
- 42. Inland Waterways is indeed one of the more climate friendly transport modes, but will need additional resources and technological developments (including cleaner, low-sulfur fuels) to remain a climate friendly transport mode. In general the turnaround time needed to replace all existing engines on board of IWT vessels with the state of the art non-polluting ones will take at least 20 years if not longer. Within the framework of a more sustainable mobility of both freight and passengers, the European Commission needs to adopt reconversion supporting measures for the industry.
- 43. Climate change is impacting massively on Inland Waterways. Europe's major rivers are already suffering from floods in the winter and drought in the summer and navigability is hampered severely. This will impact hard on IWT's role within the logistics chain as just in time is mainly focused on reliability and quality. Inland Waterways can only fulfill its role and meet the growing demands on the industry following a sustainable modal split if climate change impact on water levels and navigability is integrated in infrastructure planning.
- 44. The European Commission should also look into the establishment of new transportation schemes. Presently due to climate change water levels are changing and navigability on inland waterways becomes precarious especially in some periods of the year. The call for ever larger vessels must be halted and the re-entry of smaller and alternative ships is to be examined. In order to be able to guarantee a liable delivery of goods and passengers the year around, smaller and flat-bottomed designed ships will be better apt to service all cities alongside the rivers.

- 45. The role inland waterways can play in the long haul shipping is also to be examined IWT can also play an important role in the first and last mile supply, and thus can play a full-fledged part in the logistic chain.
- 46. The EU should commission an assessment of the present Inland Waterways network in Europe. In order to get more freight onto more environmentally friendly transport modes, priority should be given to assess the efficiency of the existing IWT network and make the necessary funds available to fill the missing links.
- 47. Member States must take account of the changing demands on Inland Waterways as a consequence of a more climate friendly modal split by ensuring in their spatial planning that space along waterways is strictly reserved to those industries that need access to them.
- 48. With regard to the possible creation of an EU register and EU flag for maritime and inland navigation transport, we consider that many questions are to be answered first. Though there are a lot of similarities between the two industries, major differences and hindrances need to be cleared first.
 - The maritime notion of the flag cannot be easily transposed into inland waterways. An Inland Waterways register for the unique identification number must be managed by an institution that has close contacts with inland navigation in order to ensure that updated data are kept.
- 49. The ETF is aware that the European Commission wants to entrust the European Maritime Safety Agency with this task. We consider that an in depth assessment of such a merger of responsibilities is absolutely needed as we are convinced that Inland Waterways cannot be seen as a mere subcategory of maritime transport. And an EU flag for Inland Waterways without the necessary legal framework and controlling capacity backing it up, has no meaning what so ever.
- 50. The Blue Belt Blue lane initiative for the seas around Europe shall simplify the formalities for ships travelling between EU ports, and of course also facilitate Inland Waterways as it will lift a lot of administrative burden for intra EU goods.
- 51. In the reference to the EU core network ensuring efficient multi modal links, the ETF misses the inclusion of Inland Ports. Getting more freight onto climate friendly and sustainable transport modes can only work if the public authorities provide the needed loading and unloading facilities. Who will put goods on a ship if there is no equipment in place to load/unload them at the other end of the waterway. This also includes terminals (impact on spatial planning) storage facilities and access to other transport modes (rail and road).

MARITIME TRANSPORT

Job security and regulatory framework

- 52. The White Paper fails to address the fundamental concerns of European Seafarers, namely, job security for both officers and ratings, and the need for a regulatory intervention to protect and enhance employment opportunities for EU seafarers. In particular:
 - It does not acknowledge the need for regulatory options, amongst others: regulating the basis upon which intra-EU trade is carried out (i.e. a new Directive on manning conditions aimed at enhancing social conditions for seafarers and eliminating social dumping and discrimination between EEA/EU seafarers on grounds of nationality and/or place of residence); linking State aids in shipping to jobs and training opportunities for European seafarers.
 - It underpins the long-lasting Commission's market orientated approach and ignores the human element in shipping: the internal market for transport shipping specifically needs

- to be regulated on an EU basis and according to EU social standards not those prevailing in third countries.
- Using International instruments such as the ILO Maritime Labour Convention, 2006 (MLC) and the IMO Convention on the Training and the Certification of Seafarers (STCW Convention) as the only mechanisms to encourage high quality jobs and professional standards will not deliver job security and career development to EU/EEA maritime professionals, as they represent minimum standards and not those prevalent in the EU. This contradicts the Commission will to make the EU as a world leader in safety and security in transport.

The competitiveness mantra

- 53. Although the White Paper deals with a variety of areas, its common denominator is competitiveness without paying attention to the social consequences of the proposed measures/vision:
 - The Commission's reference in the last indent of paragraph 19 to the "removal of restrictions on cabotage or abolition of barriers to short sea shipping", is clearly understood as a threat to further liberalize the sector. MTS affiliates need to be reassured that this is not a disguised attempt to take over the last remaining rules on maritime cabotage as laid down in Council Regulation No 3577/92/EEC of 7 December 1992 applying the principle of freedom to provide services to maritime transport within Member States ("maritime cabotage") and which have contributed to protect the employment of EU nationals, particularly in island cabotage where the host country principle applies.
 - in paragraph 29 it is mentioned that "In maritime, the need for a global level playing field is equally pronounced". We would have thought that the level playing field would apply to the elimination of distortions of competition which result from vessels operating with cheap labour, particularly with regard to the highly sensitive ferry sector, where the bulk of EU seafarers' jobs exist.
 - Paragraph 34 makes reference to the "vigilant enforcement of competition rules across all transport modes"; this reference appears to ignore that shipping has exemptions in respect of state aids. As long as state aids substantially contribute to creating jobs and training opportunities for European seafarers, the MTS will support that they are kept.
 - The White Paper refers to trade agreements: the Commission allows through this mechanism countries such as China and India access to European trades. The ETF believes that due care must be taken to avoid that the EU becomes entirely dependent on third countries for its intra-EU and extra-EU maritime trade, which also raises the question how will the EU maintain a Maritime Cluster when it relies entirely on third countries for its maritime needs?

Climate change and shipping

54. The White Paper pays maximum attention to the link between climate and transport (including shipping), but the social consequences of the proposed measures are not followed by a social dimension analysis. Furthermore, the ETF wonders to what extent the goal to reduce CO2 emissions from maritime transport by 40% by 2050 compared to 2005 levels is a realistic one, bearing in mind that the Commission is simultaneously promoting an increased use of maritime transport (and railways) for freight transport. Having said that, there is also the view that the environmental benefits of shipping (and encouraging modal shift to shipping and inland waterways?) appear not to be fully appreciated in the White Paper. The ETF acknowledges that there is margin for improving the environmental performance of shipping, but even if no further technological improvements were made with, for instance, cleaner engines or fuels and slower speeds, shipping can massively contribute to carbon emissions' reduction. What is more, the White Paper misses the opportunity to encourage Member States to take more advantage of the Motorways of the Sea initiative: thus more should be done to force Member States to do so and to provide infrastructure investment to link EU ports to rail and inland waterways.

The issue of an EU register and EU flag for maritime (and inland waterway) transport

55. The ETF has serious concerns about the proposal to "assess the feasibility of the creation of an EU register and EU flag for maritime and inland waterway transport". There are justified fears that such move will not be to the benefit of EU/EEA seafarers but rather another door opened for cheaper third countries' nationals to access the EU labour market. The Commission must take into account that most EU Member States have set up second or international or offshore registers. The lack of a clear reference to the employment under that register of EU/EEA nationals makes ETF affiliates to strongly reject the creation of such register. That would be a sine qua non condition for the ETF to consider discussing it.

The exclusion issue

56. The White Paper mentions the Commission's intention to include "all or part of the currently excluded sea going workers within the scope of several EU labour law directives or grant them an equivalent level of protection by other means". The MTS welcomes the principle that seafarers must be put on an equal footing with land-based workers but they question under what format that will be done. However, the Directives concerned (e.g. the Directive on collective redundancies, on transfer of undertakings, on information//consultation, etc.), already provide for an alternative for Member States to exclude seafarers from the scope of application, on grounds that they enjoy equivalent protection at national level. It remains thus unclear what the Commission's intentions are in that respect.

The "Blue Belt" concept as part of a Single European Transport Area

57. In paragraphs 36 and 37 of the White Paper the Commission refers to the Blue Belt concept, but the ETF wonders how does the Commission plan to ensure quality jobs and working conditions if the Blue Belt idea is restricted only to port entry and clearance formalities. This is a missed opportunity to ensure that a common maritime space is regulated on the basis of European standards, not the lowest common denominator of the global shipping industry. The concept lacks indeed the social dimension, and we deplore that the Commission has not the courage to take the full step, i.e. to link the Blue Belt with the concept of a maritime intra-European traffic redefined as domestic traffic (not as international traffic) and where EU domestic rules shall apply, and primarily social rules.

The Maritime Labour Convention (MLC)

58. The ETF welcomes the objective of enforcing the MLC. However, bearing in mind that, with the exception of Spain and Bulgaria, no other EU Member States have ratified that Convention so far, it deplores the fact that the Commission is not taking more serious measures to ensure that Member States actually ratify the Convention, given that already four months have passed from the deadline by which EU members were to have used best endeavours to ratify.

Seafarers' training

59. The ETF welcomes the Commission's proposal to update the seafarers training Directive (2008/106/EC) following the revision of the STCW Convention, but the White Paper neither foresees the possibility to promote a certification system which may go beyond the IMO requirements (STCW+), nor does it elaborate further on the concept of the Maritime Certificate of Excellence. This is disappointing given that the above-mentioned concepts were identified by workers' representatives as an initiative worth developing further if it aims at enhancing the added value of employing European seafarers and if it works as an incentive for their retention.

ROAD TRANSPORT

Further liberalization of cabotage

- 60. The way the current rules are interpreted by the European Commission, already defy the object of the cabotage definition making full liberalisation possible. This interpretation practically abolishes the 7-day limit permitted for a limited number of cabotage operations (3), by promoting 3 cabotage operations after each international carriage, with as many as possible fitting into a period of 7 days. The Commission equally interprets that the operator engaged in cabotage operations can do as many loadings and un-loadings within a Member State, as allowed by the relevant registration document (CMR form). This interpretation has allowed cabotage to become, against the afore-mentioned regulation, a regular and permanent activity. It has already given way to the expansion of dumping practices within the domestic road transport markets. Companies open subsidiaries in Member States (preferably just across the border, to ensure a minimum distance for a cross-border operation), with laxer social provisions, cheaper labour, lower taxation, to engage in permanent and continuous domestic road operations in other Member States where labour force is more expensive, and the social and working conditions more costly. The posting of workers directive - which will eliminate the risk of major job shift - as well as aspects related to payment of VAT in the Member States hosting the cabotage operations are only two of the many aspects needing urgent enforcement and implementation.
- 61. Therefore, rather than removing the current protection on cabotage services, the ETF calls on the European Commission to ensure that the Member States implement and control cabotage in line with the regulation, and in compliance with its temporary and non-continuous character. It further calls on Member States to ensure that the posting of workers' directive is implemented and controlled in conjunction with cabotage, and that they ensure that operators meet their tax obligations in those countries hosting cabotage operations.
- 62. International cabotage (transport between countries A and B performed by a company based in country C) has significantly increased over the last years, as reported by the European Commission, which has resulted in unfair competition and social dumping, consequence of the wage gap, namely between drivers from old and new Member States (EP study PE 419.101, of May 2009). This situation creates serious disturbances in the market. The ETF calls on the European Commission to introduce the necessary measures so that international cabotage does not result in such unfair competition and social dumping.

Social aspects

- 63. The European Commission is ready to encourage and support the dialogue between social partners in view of an agreement on a "social code for mobile road transport workers", addressing also the problem of false self-employment. This point, listed under Annex I "List of initiatives" comes as a surprise in a context where the setting up of the agenda and programme of the social dialogue is a competence reserved exclusively to the social partners and previously, the European Commission has failed to recognise the formal role of social dialogue and the social partners as stipulated by Article 154 of the Treaty on the Functioning of the European Union prior to launching the proposal for a revised working time directive for mobile personnel in road transport (although, for instance, in the case of the horizontal working time directive, the European Commission complied with this obligation).
- 64. The White Paper sets a strategy by the European Commission, and it must fulfil its responsibilities towards the declared goal to achieve a more sustainable transport system within the EU; to this end, social sustainability lags behind, and it is for European

Commission to ensure that legislative initiatives are taken in the direction of a consolidated social dimension in road transport.

- 65. With regard to bogus self-employed professional drivers, the European Commission seems at times to be of the opinion that this problem no longer exists, since the definition of the self-employed was only relevant in the context where working time rules differed between this category, and the salaried professional drivers; the ETF sees the reference to the bogus self-employed as a recognition of the fact that the phenomenon does exist, it is recognised by the legislator as a real threat to the industry and consequently needs to be addressed as part of the EU strategy for transport; however, the European Commission must take over the responsibility to deal with this category of drivers by proposing a legal frame to stipulate, amongst others, cross-border control over the status of the self-employed and application of sanctions for the status of bogus self-employed, based on the definition given by the sectoral Working Time Directive.
- 66. The ETF calls on the European Commission to be consistent in complying with the Lisbon Treaty (TFEU) provisions with regards to social dialogue, to fulfil its responsibilities as a legislator and take initiative to improve the social dimension of the sector rather than impose this to the social partners. This will mean, amongst others, coordinating with the Member States to achieve full and correct implementation and enforcement of the EU road and social acquis (health and safety, posting of workers, etc.); coordinating with the Member States in respect of sanctions for those operators who resort to illegal employment practices; taking legal initiatives in areas that are already posing a dumping threat for instance, legislate in the area of bogus self-employed drivers.

Shifting road transport operations to more energy-efficient modes

- 67. The European Commission sets the targets of reducing the long-haul (over 300km) road transport operations by 30% by 2030, and by 50% by 2050. The ETF stresses that road transport is a fundamental link in the transport chain and any measures to be adopted must be balanced and fair and avoid that those objectives are attained by penalising the sector. Part of the accelerated growth in traffic volumes by road, of the last decade as well as its competitiveness in relation with other modes of transport is due not only to convenience (road transport is so far the only mode to sustain the just–in-time and door-to-door delivery models), but also to two other factors: cheap and continuously diminishing labour costs and lack of adequate enforcement of the road transport legislation.
- 68. Road transport operators have long been engaged in a permanent race to reduce labour costs, via access to cheap workforce (labour accounts for one of the highest proportion in the business operational costs). The sector's competitiveness is mainly based on entrenched social dumping practices. What makes road transport so conveniently cheap for customers is the continuous adjustment - towards its lowest values - of labour costs (to compensate, for instance, for growing fuel prices). No wonder that in times of economic crisis, of all sectors, road transport has survived the best (moreover, global logistics companies managed to keep in business mainly by shifting considerable amount of their operations from other transport modes to road). As long as road transport hauliers are allowed (or even encouraged) to cut onto social and wage costs for professional drivers, this sector will grow, bringing in unsustainable practices and business models, and will be preferred to any other mode. While the European Institutions are ready to take measures to improve the environmental sustainability of the sector (one of the measures most invoked in the present White Paper revolves around the future full application "polluter-pay" principles), social dumping seems to be ignored, and even encouraged, precisely as a stimulant for the sector's competitiveness. The ETF considers this as a proof of inconsistence, in the European Commission policy for transport, and particularly road transport. Should the legislator fail to take the lead in tackling the race-to-the-bottom of the social costs and

- conditions in road transport, the road transport will see no barrier to continue its unsustainable growth.
- 69. Secondly, with regard to lack of enforcement of road transport legislation, the ETF would like to mention that the sector is extremely fragmented with a very high percentage of small and medium enterprises. In this context, enforcement and controls become a real challenge, due to the multitude of operators and the lack of enforcement capacity by the Member States. In addition, small business is critically dependant of the large operators, who impose prices and conditions that most of the times make it impossible for the small and medium companies to engage in sustainable business and comply with all legal requirements. The subcontractors will in verbally choose to bypass the law, with probably very little change of being controlled and sanctioned. The letter box companies are another practice that had flourished in the industry, to by-pass legal requirements mainly in terms of road, social and taxation provisions. A new regulation on access to profession has come into force in 2009. It is still to be seen whether its enforcement will reduce this phenomenon. So far, from the ETF field experience, Central European countries remain a heaven for this type of companies.
- 70. The ETF believes that in pursuing its goal to curb road transport growth, the European Commission must take up measures to stop its socially unsustainable growth, to keep in business only the healthy business and to remove any distortion of competition between sectors and within the road transport sector resulting from social dumping and law breaking.
 - Should the above situation persist, all efforts invested into the modal shift will remain pure theory.

Urban congestion and urban deliveries

- 71. The White Paper sets that urban deliveries, allowing a greater portion of freight transport within the urban areas, should take place at night time. The ETF must point out that a great number of urban deliveries are carried out with light goods' vehicles which do not enter the scope of Regulation (EC) 561/2006 on driving and rest time. Consequently, drivers driving this type of vehicles will be covered by the horizontal working time directive rather than by Directive 2002/15/EC. They will thus not be entitled to a whole range of provisions such as working time breaks stipulated by the latter. Moreover, for those Member States who have opted out from the work time limits regulated by the horizontal working time directive, these drivers will have no working time limits either.
- 72. The ETF calls that, before the European Commission and Member States choose to take any measure with regard to night-time urban deliveries, a legal initiative is adopted so that the sectoral working time and driving and rest time limits apply to all commercial vehicles and all professional drivers.

Road safety

- 73. The White Paper sets as a goal to halve road fatalities by 50% by 2020 and by 100% by 2050. However, the recently published Policy Guidelines on Road Safety 2011 2020 fail to take stock and address commercial road transport.
- 74. The ETF calls for the European Commission to be consistent in its policies and, if intending to achieve the above mentioned targets, to include in its Policy Guidelines on Road Safety 2011 2020 a chapter on commercial road transport, focused on:
 - a coherent, gap-free, EU legal framework for road transport (notably, sectoral working time to apply to all professional drivers, the scope of the digital tachograph regulation to include all types of vehicles, the light goods vehicles to be included in the scope of all

- road transport legislation, legislation to facilitate the elimination of the bogus selfemployment in the sector):
- occupational health and safety of drivers, as a key element for the safety of drivers, goods, passengers and road users;
- stronger enforcement;
- collection of data and statistics that are conducive to an effective policy for reduction of road accidents involving commercial goods and passenger vehicles;
- investment in safe, accessible and affordable parking areas and rest facilities for professional drivers.

Cleaner vehicles

- 75. A modernised and sustainable road transport sector must be achieved not only by modernising truck fleets, but also by improving working conditions, the status of driver's profession and the quality of drivers' training. What the White Paper lacks is the investment into the human element, while focusing only on the investment in vehicle and infrastructure technology. Currently, road transport has a very poor social record (second worst sector in terms of working conditions in Europe). A modernised sector, with modernised truck fleets, requires a well-trained and well qualified workforce. The driver's training directive provides the legal frame but still has some shortages that may impact on its efficiency: the quality of training differs among Member States; the level of exigency also varies from Member State to Member State, in some of them obtaining the Certificate of Professional Competence being a pure formality; the distribution of training costs vary from Member State to Member State, and some national transposition laws fail to be clear on this aspect, thus leaving room for wage-loss for professional drivers.
- 76. The ETF calls on the European Commission to ensure that the driver's training directive is transposed and implemented in such way that matches the future requirements of technological progress in the sector. It further calls that part of the measures taken to modernise the sector are directed towards the improvement of working conditions, training standards and image and attractiveness of the profession.

Internalisation of external costs

- 77. The ETF has for long supported the internalisation of the external costs for **all** transport modes. In this respect it is felt that the introduction of the euro-vignette is still insufficient.
- 78. As mentioned above, it is essential to take measures not only to improve the environmental record of the sector, but also its social record. It would be unfair to redress the substantial, continual and unsustainable growth in the road transport operations solely via the application, to the industry, of the polluter-pay principle, while ignoring and failing to address its current social unsustainability.
- 79. The ETF therefore calls for the European Commission to ensure via law enforcement, and measures to eradicate social dumping that the industry pays the correct social and labour costs. This will help eliminate bad business from the industry and will curb the future unsustainable growth in road transport operations.

Land transport security

80. The White Paper commits to step up measures for coordination with Member States (set up a permanent expert group) on the security of land transport. This is indeed badly needed. There is clear evidence of several "gates" – ports – to allow a massive influx of trailers into the EU. In some no control whatsoever is made of the cargo coming into the EU. Drivers are "imported" from the home-country of the operators (non-EU), and apart from the fact that they drive the trucks all over Europe in appalling conditions (work, pay, rest conditions),

- in most of the cases they are not aware of the type of freight they transport. This poses a serious security threat and as long as the European Commission and the Member States allow them develop, one cannot engage into a consistent land transport security policy.
- 81. The ETF calls for the European Commission to identify these cases and take measures to clamp them down and to take over the control and coordination of distribution of transport licenses to the non-EU countries; to this end, the Western Balkan Treaty sets a precedent, and must serve as a model.

CIVIL AVIATION

General remarks

- 82. The ETF supports the analysis of the Commission in Chapter 3.1 of the White Paper (A Single European Transport Area): "Market opening needs to go hand in hand with quality jobs and working conditions as human resources are a crucial component of any high quality transport system."
- 83. We consider however that public authorities should refrain from ideological approaches that solely look at market forces and competition as the means that will create a more efficient civil aviation industry. ETF supports the policy of a "public service" dimension to civil aviation and regrets that this dimension in the intra-community air transport is continuously reduced rather than enhanced. As Europe is adopting a more diverse multicultural population, it brings with it a growing desire to preserve family links back to the respective countries of origin. The ETF calls for a moratorium on further liberalisation of the civil aviation sector.
- 84. The ETF agrees that "...,it is crucial that European transport continues to develop and invest to maintain its competitive position." At the same time, the ETF defends an infrastructure policy and investment that give priority to building a more sustainable civil aviation industry. An integrated and coordinated airports and air traffic management infrastructure development planned now at European, national and regional levels is essential to achieve that goal. Such a policy must support economic growth, social cohesion and participation.
- 85. In the same Chapter, the Commission suggests that it will be important to prevent social conflicts, "...which have proved to cause significant economic losses in a number of sectors, most importantly aviation". While admitting that conflicts exist, the ETF would like to point out that industrial unrest is a legitimate expression of labour dissatisfaction and long term frustration rather than the cause of disruption in what is called "a sustainable" economy. Measures that ignore the human factor in the liberalized market and recognise only the "bottom line" in a cold calculation of profit and loss are inadequate and can only lead to further social conflicts.
- 86. A flagrant example is given by a number of Low Cost Carriers which unduly restrict union activities as well as they ignore passenger interests and sometimes basic workers' rights. This is counter-productive in a developing European transport industry heading towards modernising the sector during the next decade. Maybe the Commission should try to accommodate workers' rights and passenger expectations in a consolidated program that does not solely accede to industrial expansion and profit increase.
- 87. The ETF also agrees with the statement in the paper that "the elimination of tax distortions and unjustified subsidies and free and undistorted competition are therefore part of the effort to align market choices with sustainability needs (and to reflect the economic costs of 'non-sustainability'). They are also necessary to establish a level playing field between

modes which are in direct competition". ETF counts upon the vigilance of the Commission to put all its efforts into preventing that low cost airlines in particular benefit from tax distortions and subsidies in Europe, as tax distortions and subsidies hinder fair competition and lower the safety standards and workers terms and conditions.

- 88. Regarding the achievement of an efficient co-modality for freight shipments which is attractive for shippers, the ETF agrees that alternative transport solutions must be found, but encouraging waterborne and rail modes for long-hauls will have an impact on the current business at aviation level. If this is the case, solutions will have to be agreed between and with the social partners concerned and implemented to avoid the social negative consequences.
- 89. The ETF agrees that the emergence of multinational and multimodal operators has to be facilitated. Already existing operators should be encouraged in a first step in this process to make efforts for becoming multimodal operators.
- 90. When the White Paper refers to New Technologies, we believe that the EU must stimulate the use of new safe technology on all commercial airplanes, airports and ATM infrastructure.

Completion of the Single European Sky

- 91. The success of the Single European Sky will only be possible if employees are fully part of it and are involved and participate in all human related matters. Safety as a prime area of human concern goes beyond what can be achieved through safety regulation. It encompasses: the unique capabilities and performance of humans, the development and continuous maintenance of a safety culture at organisational, operational and individual levels, maintaining and improving competencies through training and teamwork practices, managing stress and fatigue and maintaining and fostering health at the workplace, and managing team resources through appropriate working conditions and schedules to name but a few.
- 92. In this context, it is important to:
 - recognize human performance to manage safety risks proactively;
 - ensure the adequate level of competence and training of professionals;
 - promote the involvement of Social Partners in the implementation of the Single European Sky at all levels, including in the FABs;
 - build a sound and strong safety culture by integrating an open reporting culture and "just culture" as the basis for safety performance.

Capacity and quality of airports

- 93. The White Paper is not clear on whether the European Commission intends to revise the Ground Handling (GH) Directive (96/67/EC) or not. The ETF has on different occasions identified matters that need to be improved, in particular regarding job protection, access to the profession, and health and safety. If the Commission decides to revise such Directive with the aim of promoting better quality services and social protection it will have the support of ETF. A revision geared exclusively by the pressure from economic groups and main airlines can only lead to an even more deregulated market of ground handling services in airports and to social unrest.
- 94. Liberalisation and deregulation have brought undesirable consequences for the workers in this sector. The EU does not need more ground handling operators in the airports, because the contestable market is limited. Any increase in the number of handlers would be a decision made on ideological grounds based purely on introducing further competition despite its consequences to employment conditions.

- 95. The ETF demands, whether the GH Directive is revised or not, the adoption of equitable European legislation on transfer of staff for all ground handling workers (in case of total or partial loss of activities), which allows them to keep their jobs, wages and working conditions. Competition based on employees' terms and conditions must stop and the ETF will fight it with all its forces. Such legislation must also include the obligation for representative collective labour agreements to be applied.
- 96. The ETF agrees that capacity should be optimised and expanded where needed. Growth needs to be sustainable and not left to a situation where aircrafts are burning fuel needlessly in queues awaiting departures or landing positions. Whilst on the ground an aircraft can burn ten times faster, whilst going nowhere, than it does at altitude travelling at between 475-500 knots.
- 97. Given the time required for development planning, a fully structured growth programme should be in place to accommodate not just the growth requirements of today, but also decades into the future. Given the planning barriers that exist and time necessary to ensure additional and replacement capacity in aviation together with intermodal connectivity, significant investment is required, not just from the industry but from central governmental funds.
- 98. The ETF believes that as technological developments are implemented, it will be possible to accommodate the foreseeable increase of the demand for passenger and freight by 2050 without increasing over all emission levels last seen in 2005. The development of sustainable biofuels can contribute to this effort.
- 99. The ETF therefore welcomes the aims of the White Paper when it calls for low-carbon sustainable fuels in aviation to reach 40 per cent by 2050. Current technological advancement in this area would suggest, however, that a more realistic percentage is between 10 and 20 per cent. Consequently, substantial investment will be needed in order to realise that goal.

A socially responsible aviation sector

- 100. Liberalisation of the civil aviation industry has affected jobs' quality leading to decreased security of employment, low wages and poorer working conditions in all aviation sectors. The combined effects and consequences of liberalisation and the development of the low cost model push towards full deregulation of the market. The risks of a further acceleration of the consolidation process and continuous restructuring of the sector are obvious: massive layoffs and less quality jobs with little social rights. This negative trend has already started and affects labour relations within companies and impinges on social dialogue at all levels. And this happens at a moment when strong social dialogue and involvement is needed more than ever to find balanced solutions.
- 101. That is why the ETF welcomes the proposal to establish a mechanism to analyse the impact of regulatory developments on working conditions in the air transport sector. It is the ETF view that such a mechanism should be established as quickly as possible and with the full involvement of the social partners.

A European strategy for civil aviation safety

102. The ETF believes that air safety must remain one of the paramount objectives of the air transport industry. Adequate financial means and sufficient human resources must be provided to keep and enhance European air safety standards. Competence of the flying and the ground personnel must be priorities in this respect. Certification of competence must be extended to all safety related professions. The ETF considers the adoption of

- SES2, the current extensions of EASA competence and the launch of the SESAR development phase as opportunities to push the European aviation safety objective.
- 103. To meet the objective of becoming the best aviation safety area in the world, the ETF strongly believes that the role of EASA and the "total system approach" must both be enhanced in order to ensure the implementation of the EU aviation safety strategy consistently across all aviation domains, and making the aviation system components to become part of a single European network a reality. The current work developed by EASA on ATM and aerodromes will have to be extended to cover every aspect of the security chain, including the ground handling operations at airports.
- 104. However, the ETF notices that with regard to issuing one Opinion (07/2010 on medical fitness for cabin crew) and an NPA (2010-14 on Flight Time Limitations for aircrew), EASA did not base these proposals on scientific evidence or operational experience. These opinions are arbitrary intents to somehow cover the 'gaps' that were left to national legislators under the EU OPS Subpart O and Q.
- 105. The ETF also suspects that the sole explanation for these changes is that all of them have been introduced to satisfy employers associations' interests to cut costs. Until air accidents are directly proven to be related to fatigued and unhealthy crew, this tendency may continue. We believe that these EASA Opinion and NPA will seriously damage EASA's and the European Commission's reputation as a credible safety regulator and even harm the EU's reputation as a safety-oriented region, as they seem intent on promoting fair competition rather than better safety. Therefore, the ETF asks the Commission to change the current approach.
- 106. Member States have to insure that the public services that are also responsible for the safety and security of cargo and passengers have the ways and means to accomplish their tasks.
- 107. Employers need to realize that the time workers spend on safety and security is not a cost but an essential investment for the industry and they need to take this time into account.
- 108. On the other hand, Occupational Health & Safety, whose main goal is to foster a safe work environment, should be implemented and adapted to the new technologies and developed working conditions. Quoting the EASA "improving Occupational Health & Safety will protect workers and productivity and, as a secondary effect, it will also protect co-workers, family members, employers, customers, suppliers, nearby communities and other member of the public, who are impacted by the workplace environment."

PORTS

109. The White Paper stresses the strategic importance of seaports for the whole transport sector as well as for enhancing European economies' competitiveness and predicts the need of expanding port capacity. However, it should be taken into account that expansion of capacity is not always the right answer to the growth of maritime transport. The policy should primarily focus on adapting and improving existing capacity and of course improving infrastructures and hinterland connections. Overcapacity would weaken European ports, as it would make them more vulnerable to external factors, especially in case of financial and economic crises. There should be incentives to tackle issues related to port development in an integrated manner and according to a regional approach. This would allow considering a port not as an isolated entity but within the whole transport network and to plan the development of each port according to real needs as far as transport flows are concerned, but also taking a wider socio-economic regional perspective.

- 110. Issues related to security of cargo, which according to the White Paper will be addressed by the future transport policy, directly concern port workers, their safety and health at work. In this respect the ETF calls on the European Commission to pay attention to issues related to stowage and weighting of containers, transport of dangerous goods, fumigation of containers, and to play a major role within the international organisations where initiatives on such matters are being developed. Due to the above-mentioned consequences on safety, workers' perspective and concerns should be included in any initiative in this field, in cooperation with social partners.
- 111. Market access to ports is indicated as one of the actions that would contribute to complete the establishment of a single European transport area. Although the idea is not developed in the White Paper, it is clear, also according to what is stated in the Commission staff working document (SEC(2011) 391 final), that the Commission's intention is to re-launch, for the third time, the idea of further liberalising technical, nautical and cargo-handling services. A confirmation of this intention comes from the impact assessment (SEC(2011) 358) accompanying the white paper, which refers to the two directives on market access to port services, rejected by the European Parliament, as "attempts to promote maritime transport". Once again, the idea that is given of the EU port sector is of an inefficient system governed by monopolies: the ETF, once more, challenges this vision and urges the Commission to take into account the reality of the sector and not a pre-conceived notion based on a wrong analysis and on the erroneous assumption that European ports operate in a situation of monopoly. As a reminder, most European ports operate more efficiently and at a lower cost than ports in other regions of the globe. There is already a free market for cargo-handling in European ports, as it is shown by the multitude of private operators - and in particular global network operators - present in EU ports, who compete with each other according to market mechanisms. Plans to further liberalise port services have nothing to do with the efficiency of port operations, but rather with the need to accommodate the demands of some of the most powerful lobbies in the maritime sector.
- 112. As for the organisation of port labour, which is not explicitly mentioned in the White Paper, but that will certainly be included in any attempt to liberalise cargo handling, we renew our call to the Commission to avoid generalisations and check the reality of a sector where, contrary to what is publicly stated by Commission officials, employers are actually free to choose their employees. The various patterns of labour organisation in ports, which are very diverse from each other, and which are generically and imprecisely called "pools", respond to the sector's need for flexibility and have originated exactly from such need.
- 113. What is more, such arrangements, which are in general the result of collective agreements, allow guaranteeing a fair level of protection and job security for workers. Collective agreements, resulting from free and open negotiations between social partners, are to be seen as instruments that help building social cohesion, establishing rules and duties and guaranteeing social rights. It is also thanks to such peculiar way of organising a part of port labour, that most European ports and port employers could overcome, the recent economic crisis better than other sectors,. It is also important to point out that the changes affecting maritime transport, notably the increase in vessels' size, will require even more flexibility for handling cargo and will therefore make even more important the role of the so called pools. Those changes, along with the impact of the introduction of new technologies and the need to adapt to these should be at the heart of the debate on port labour, rather the false problem of lack of market competition.
- 114. The reality of those European ports where the labour supply has been deregulated is one of denial of union rights, poor working conditions, poor training and casualization of employment relations. If the Commission intends to take this way, it will not obtain improved competitiveness and a more efficient port system, but rather an impoverishment of the sector's social performance, with negative consequences not only on workers but also on

- the economic sustainability of the companies operating in ports as well as on the relationship between ports and the local communities.
- 115. Moreover, the ETF will challenge any attempt to allow people other than registered dockers to do dock work. The reason why cargo-handling must only be performed by trained professional stevedores is that it is a very dangerous activity that, in case it is not performed by trained workers can severely harm human and environmental safety.
- 116. As far as technical-nautical services are concerned, it should be noted that arguments against liberalization are justified by the role played by such services to ensure safe navigation in ports and by the nature of services of general economic interest that some Member State have recognized they perform. With specific reference to the latter point, the choices made in this direction by individual Member States find their full justification in the principle of subsidiarity, which conflicts with the aim of EU harmonization of the rules on market access envisaged by the Commission.
- 117. Regarding the external dimension we believe that cooperation with third countries, notably as far as EU investments are concerned, should include considerations over the competition between the EU and third countries' ports. Areas such as the Mediterranean and Baltic regions especially suffer from third countries' competition, which is often based on significantly lower labour costs, working condition and fiscal advantages granted by the host countries to attract operators. As a general rule, any transport agreement with third countries should contain a clear and enforceable social clause, which would link EU investments to decent working and social conditions for workers employed in the infrastructures co-financed through European funds.
- 118. One of the few initiatives on the social dimension of ports which is included in the White Paper is the plan to establish a mutually recognisable framework on the training of port workers in different fields of port activities. We welcome the fact that the Commission pays attention to such crucial aspect. However, we remind the European Commission that training and qualifications are one of the main points in the working programme of the upcoming social dialogue committee on ports. The initiative in this field should be therefore left to social partners, which will seek the technical assistance of the Commission whenever this will be needed.

URBAN PUBLIC TRANSPORT

- 119. The ETF agrees with the Commission that promoting integrated and sustainable urban mobility is an important element in order to achieve the GHG reduction objectives of the European Union.
- 120. However, it regrets that among the 10 proposed goals one can only find goals for the reduction of "conventionally-fuelled" cars in urban areas by 50% (2030) and 100% (2050). This means just a replacement of existing cars by cars using alternative fuels and/or electric cars. The promotion of the use of public transport in urban areas is not set as a clear objective as such. The Commission rather focuses on technological innovation in order to make individual cars cleaner in the widest sense.
- 121. The ETF demands a model-shift target for developing collective transport for urban areas, for example a doubling of collective transport use by 2020/2025 and a model shift to walking and cycling. Such a policy would not only help to reduce GHG emissions, air and noise pollution and congestion in urban areas but increase (local) employment in the urban public transport sector as well.

- 122. The Commission's intention to assess the possibility of setting compulsory urban mobility plans is welcome. The ETF fully supports compulsory sustainable mobility plans for larger cities. However, we consider that such urban mobility plans must include the obligation to define modal shift targets. They could be general for all or left to the particular situation at regional / local level (modal shift).
- 123. The ETF supports instruments like charging of private cars in cities (e.g. congestion charges) and environmentally oriented tax regimes under the condition that charges and tax reforms go hand in hand with promoting good quality collective transport systems and thus providing an alternative for those citizens and workers who need mobility options. It is not acceptable that people/workers who have to move in the city just have additional costs without being offered an alternative.
- 124. In this context the ETF underlines that providing quality public transport services for citizens needs appropriate public funding and compensation for public service obligations. The Commission's objective of making stronger use of the polluter/user pay principles for all transport modes in order to finance transport must not result here as regards public transport in full financing of public transport services and infrastructure by the citizens themselves and/or private investors. Public transport also has an important function of inclusion of people, which would be undermined by a "full cost approach" for collective transport. Financing is crucial for achieving sustainable urban mobility goals. Providing infrastructure that supports sustainable mobility (including social sustainability) is a public task as well as public transport is a public service and cannot finance itself.
- 125. The Commission's overall approach is a market centered approach, based on competition and the most efficient use of the different transport modes. It strikes that the role of public transport as a public service, the expression "service of general interest" or the social inclusion function of (public) transport are not mentioned at all in the White Paper. It should be an objective of the European Union to provide accessible and affordable quality public transport services to all EU citizens in accordance with Protocol 26 of the EU Treaty on Services of General Interests and Article 36 of the Charter of Fundamental Rights.
- 126. The quality of public transport also depends on social conditions of workers working in public transport, the respect of collective agreements, training etc. In the White Paper the Commission mentions the role of transport workers, the quality of jobs and good skills as a condition for a competitive European transport system. It expresses the view that market opening and competition shall go hand in hand with quality employment and quality working conditions.
- 127. One of the most important instruments for ensuring and/or improving quality in public passenger transport is to impose quality and social criteria in public transport service contracts. The ETF insisted on compulsory quality and social criteria (including collective agreements, training or workers' protection in the case of change of operator).
- 128. EU Regulation 1370/2007 on public passenger transport by road and rail allows competent authorities to impose quality and social criteria and workers' protection. The ETF demands initiatives from the European Commission in order to promote quality public transport in this sense. We ask the Commission to develop together with the ETF (the social partners) studies and best practice examples and guides for competent authorities and national/local social partners in order to promote the inclusion of such social and quality criteria by authorities in public transport service contracts.
- 129. Regarding land transport security we note that the Commission will establish an expert group and focus on urban security issues. Acts of terrorism in the public transport system are a serious problem for citizens, passengers and the workers working in the public transport system. The ETF asks the Commission to pay attention as well to the day to day

problem of aggressions and insecurity in public transport. It is a very important element for the quality in public transport and insecurity / the feeling of insecurity prevents many potential users from using public transport.

- 130. It is indispensable that authorities and companies together with users and trade unions develop preventive action plans and invest in security measures. From the urban public transport workers point of view it is one of the main occupational health and safety hazards in their profession nowadays. One of the most important preventive measures is to have more trained personnel in busses, trains and in the stations. The lack of presence of "authorised" and trained persons encourages vandalism and attacks and increases the feeling of insecurity in public transport. A policy that for cost cutting reasons reduces more and more personnel and replaces sales points by automatic systems in the stations increases the security / insecurity problem in public transport.
- 131. Lastly, the ETF regrets that many actors including the European Commission only consider public authorities and cities, urban transport operators and citizens/users of public transport as the relevant stakeholders in the field of urban public transport. Workers and their trade unions are not considered as stakeholders. We strongly criticise this attitude because workers (and their organisations) are concerned in a threefold sense:
 - Workers are users of transport, they need mobility in order to arrive at their work / home;
 - Workers are citizens affected by negative health impacts of pollution, congestions, etc.;
 - Workers in public transport play a vital role in delivering quality public transport (the human factor). But they are also exposed to health (emissions), safety (accidents) and security (aggressions) hazards on a day to day basis.

RAILWAYS

The long term objectives

132. The ETF Railway Section supports in principle the long term objectives 2030/2050 of the Commission's White Paper. They are pointing in the right direction regarding GHG reduction objectives, modal shift objectives, the development of high speed rail and airport rail links, the enforcement of the polluter pay principle and internalization of externals costs for all transport modes or the objective of fair competition among transport modes regarding taxes and charges. The concrete figures might be subject of discussion. It wonders however, whether the GHG reduction objectives in transport can be achieved without including a reduction of "un-reasonable" transport within the overall objectives and measures.

Infrastructure development

- 133. The ETF welcomes the White Paper's objective of a better balance of the infrastructure development within the European Union, in particular between Eastern and Western Europe. Today, the trend is for a decline and degradation of rail infrastructure in particular in CEE, which must be reversed. However, concrete policies supporting such an objective are missing.
- 134. The objective of developing the EU rail high speed network until 2030/2050 and rail links for all major airports (until 2050?) is also supported. But such a policy must be consistent with other important rail infrastructure developments such as linking major industrial sites with the rail network.
- 135. The ETF questions the proposal to earmark revenues from charges for external costs for the development of an efficient intermodal transport infrastructure. The White Paper should

- clearly state that such revenues shall be used for the infrastructure development of more environmentally friendly transport modes.
- 136. The ETF Railway Section rejects any private financing of the railway infrastructure and the promotion of private public partnership (ppp). In consequence we reject the idea to impose on Member States to carry out obligatory analyses of ppp possibilities when applying for funding from the TEN-T budget.

No recognition of services of general interest

137. The Section deplores that no reference to the importance of (rail) public transport as a Service of General Interest (SGI) is made. The White Paper rightly underlines the importance of transport for the mobility of people but with the lack of SGI recognition it ignores the social inclusion function of public passenger transport. Additionally, the White Paper underlines the objective of enforcing the user pay principle for all transport modes without clarifying the need for compensation of public passenger transport services. We demand a clear statement that public passenger transport is a Service of General Interest, which serves as well social functions and which has to be compensated adequately.

Internalization of external costs and tax harmonization

138. The ETF Railway Section welcomes the Commission's objective of full internalization of external costs for all transport modes as well as the review of taxation of all transport means with the objective of applying the polluter pay and user pay principle. However, we miss a clear statement that public passenger transport is needed and that compensation for public service obligations is essential in order to provide accessible and affordable quality public transport for all groups of citizens.

The ETF rejects the short term policy measures (next 10 years):

139. The European Commission announces further liberalization and separation of the incumbent railway companies as principle short term policy measures for the railway sector.

- No to liberalisation of domestic rail passenger services

- 140. With the liberalization of national rail passenger transport the European Commission simply follows an ideological approach and totally ignores Protocol 26 of the Lisbon Treaty and Article 36 of the EU Charter of Fundamental Rights, both on Services of General Interest. Protocol 26 underlines the role of local, regional and national authorities to provide SGIs.
- 141. Additionally, the Commission ignores the balanced solution found in regulation 2007/1370 on public passenger transport after 7 years of negotiations between the Council and the European Parliament. This balanced approach respects Protocol 26 and gives the freedom of choice to the Member States' local and regional authorities to decide on how to organize their public passenger transport.
- 142. The ETF strongly rejects any proposal to modify regulation 2007/1370 and to impose competitive tendering for the entire rail passenger transport within the EU.
- 143. As regards non "PSO passenger transport", the ETF insists that rail passengers services are generally organized as a network offer and not on the basis of single lines. The network approach allows a cross financing between non-profitable and profitable lines to the benefit of a higher offer for passengers. Interference with this system by imposing "on the track competition" will lead to cherry picking behavior on the most profitable lines. Cross-financing between profitable and non-profitable lines in a network will not be possible any more with the consequence of an overall reduction of the offer for passengers. If member

States want to keep the level of services they have to pay more for PSO services while the profits on profitable lines are captured by private interests.

144. Last but not least there is no guarantee that competitive tendering and competition on the track does not lead to social dumping by competing on the basis of the lowest price, which usually means lower personnel costs rather than better quality of the services.

- No to the separation of infrastructure management and operations/service provisions

- 145. The ETF strongly rejects any proposal to further separate the railway companies. The ETF rejects the destruction of the holding models and full separation of infrastructure management and operations and well as the separation of rail related services from the operator.
 - Single wagon load production: the ETF demands concrete promotion initiatives
- 146. The ETF welcomes that the Commission mentions single wagon load production in the staff paper, although no measures are mentioned. Single wagon load production in the railway sector is of great benefit for the environment, for regional development, socio-economic cohesion and for employment. However, a Commission policy, which solely relies in the market forces, favours long distance complete train production between economic centers and thus supports the disappearance of this production system in rail freight transport. The lack of fair competition among transport modes regarding external costs and taxation policy adds to the difficulties of single wagon load production. The ETF demands an active policy in order to promote this production scheme.

Railway safety - more is needed

- 147. A gradual introduction of a single safety certificate, harmonization of certification of all entities in the rail sector, introduction of a standard for the safety management systems, increasing the competences of the European Railway Agency, e.g. by monitoring / auditing the National Safety Authorities: these are the measures the European Commission envisages in relation to railway safety.
- 148. The ETF is of the opinion that more focus should be laid on the monitoring and reporting of almost accidents and incidents. This is an important indicator for rail safety in an open railway system with many actors, which is not sufficiently developed today.
- 149. This also requires the introduction of a "just culture" in the railway sector. The introduction of a safety management based on risk assessment needs proper reporting of incidents. The culture of punishment of staff has to be replaced by encouraging a reporting of incidents, almost accidents and risks detected by the personnel.
- 150. The ETF has concerns with the introduction of a single safety certificate at this stage, which would be valid across the European Union. As long as national operational and safety rules are still totally different in the different countries and harmonization is not realistic, the competences of a railway undertaking to operate on different networks must be checked. The ETF insists as well that driving and rest time rules and the locomotive drivers' license and in particular the additional certificate must be checked and enforced in cross border operations. Additionally, the ETF insists that a single safety certificate must not result in facilitating social dumping.
- 151. Regarding railway safety the ETF insists that sufficient number of personnel and proper training of railway personnel is essential. We rather observe that due to cost cuts and pressure for productivity increase, training is reduced and the cut in personnel rather harms safety levels.

No consideration of the social impact of rail restructuring

- 152. Since more than 20 years (Directive 91/440/EEC, three Railway packages and the current Recast of the 1st Railway Package) the social consequences of the EU railway policy and legislation were disregarded by the European Commission. It says that the EU railway policy as such would strengthen the rail sector and thus creates employment per se. The Commission demonstrates a lack of interest for the consequences of 15 years of permanent legislative reforms and restructuring of the whole sector and the incumbent railway companies on workers. This is reflected in the White Paper by a lack of consideration for the rail sector in the "social chapter". The Commission staff working document (SEC(2011) 391) only mentions that "an enforcement of working time rules and the need for harmonized working conditions also for domestic rail services still needs to be assessed". While the ETF demands EU regulation in order to check and enforce driving and rest time rules for cross border services in a liberalized market, the question of harmonization of domestic working time rules must be subject of discussion within the European sectoral social dialogue but not imposed by the Commission.
- 153. The inclusion of the railway sector in the horizontal working time directive 2000/34/EEC and Directive 2005/47/EC on working conditions of mobile staff in cross-border services are both based on agreements of the European Social partners, the second one on own initiative of the social partners. Also Directive 2007/59/EC on the certification of locomotive drivers is largely based on an own-initiative agreement of the European social partners.
- 154. Provisions regarding the consultation of social partners and the inclusion of health and safety and qualification issues within the interoperability directives as well as in the Regulation for Establishment of the European Railway Agency have been included by the European Parliament. However, the ETF always criticized that the drafting of Technical Specifications Interoperability (TSIs) by the European Railway Agency is only based on a technical approach, which also applies to the questions of health and safety provisions and qualifications of personnel. The ETF regularly demands a horizontal approach by ERA on health and safety questions in particular.
- 155. Within the 2nd Railway Package the European Parliament introduced the requirement to present a report, which among others should analyse the working conditions of railway workers in each Member State. This requirement has not been delivered appropriately by the European Commission. The Commission's report (COM(2006) 189) from 2006 did not fulfill the requirements. The report simply refers to social packages, which have been negotiated within the railway restructuring processes in several Member States. Our impression is that according to the Commission, such social packages demonstrate that workers did not suffer from restructuring. In this context the ETF decisively underlines, that such packages require strong trade unions being able to negotiate social packages. The Commission, however, is showing the tendency to consider strong trade unions in the rail sector as a threat for the sector.
- 156. The request of the ETF for an analysis of the job losses in the rail sector and the creation of jobs by new entrants in the rail market has never been heard.
- 157. Overall, this approach of the European Commission towards the social consequences created deep frustration among workers and a total loss of commitment to the European Union.
- 158. The consequences of permanent restructuring in the rail sector have been severe: huge job losses, increased stress due to uncertainty regarding the future, uncertainties due to permanent restructuring and sub-division of the companies shifting the workers from one department to another, increased stress and work intensity due to severe staff reduction in all areas of rail activities, the appearance of a second class work force within the companies with lower pay and working conditions of new staff employed and in

consequence with pressure on all workers, the appearance of agency workers in the sector, reduction of investment in training and health and safety provisions with consequences for safety.

The ETF demands:

159. In this context, the ETF demands for the railway sector are:

- A sound evaluation of the social consequences of railway restructuring: employment development, working contracts, working conditions, investment in training, investment in health and safety provisions for staff. This shall include an analysis of job losses due to the reduction of single wagon load production and the job saving potential of promoting single wagon load production, tendencies in job losses in passenger transport (on-board personnel) and in railway stations. This shall include an analysis of the quantitative and qualitative creation of new employment within new entrants in the rail market. It shall also include analysis on the development of agency workers in the rail sector and the contractual and working conditions of such agency workers.
- Mandatory protection of workers in the case of change of operators due to competitive tendering of rail services; mandatory respect of working conditions and the provisions of the collective agreement, which is valid at the place of service delivery, as well as other social provisions. These social provisions are essential in order to ensure a fair level playing field among competitors in the case of competitive tendering and avoid social dumping.
- Measures to effectively avoid social dumping in an open and competitive European railway area.
- A horizontal approach to health and safety questions by the European Railway Agency within the interoperability, cross-acceptance and safety policy.
- European legislation on the certification of on-board personnel in order to ensure safety and high quality services in rail passenger transport, based on a high quality qualification level.
- European regulation on checks and enforcement of working time, driving time and rest time rules for mobile workers engaged in cross-border services.
- European regulation on the check of drivers licenses in cross-border services.
- Inclusion of workers' representatives within the freight corridor governance structures and any future approach towards supra-national governance of rail corridors (Freight, ERTMS, TEN-T).
- Analysis of training requirements regarding the introduction of the ERTMS system.
- Analysis of new job profiles and training requirements with regard to the developments of rail freight services.