

**The European trade union movement and sustainable development ahead of the Earth Summit –
a European strategy for quality employment and
the protection of the environment**

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Sustainable development: the possible role of transport

The most important document in which the Commission points out its visions for a future transport policy is the WHITE PAPER “European transport policy for 2010: Time to decide”.

The base lines of the White Paper are defined by three overall objectives:

- Economic processes are to become more effective.
- Transport is to become an integral part of sustainable development.
- The rights of individual transport users are to be safeguarded and extended

One basic political assumption dominates the White Paper although it is never mentioned openly and determines the way possible solutions are viewed: It is that public services are not worth protecting. On the one hand, individual citizens are to receive guarantees regarding quality and functioning of services. It is not intended, however, to retain these services in the public domain; instead they are to be outsourced under the conditions of unfettered competition and to be contracted out to private companies.

The Commission's thinking is dominated by this basic political assumption to such an extent that there are no plans to expand urban transport services, not even in order to achieve the proclaimed aim of environmental protection. The share of private car use in passenger transport does not figure in any discussion. We will deal with this problem in detail in the sections referring to road transport and railways. Unfortunately, the scope of the White Paper remains limited, due to this self-imposed thought-blockade.

What is the role of environmental protection?

The ETF welcomes the White Paper's focus on creating an economically, socially and environmentally sustainable transport system and, in this context, the Commission's intention to increase the share of environmentally friendly modes of transport in the volume of transport. As a result, necessary transport policy measures are discussed from a more intermodal and complementary point of view, an approach which is long overdue. The ETF will participate in the implementation of these objectives although further down in this position paper we will have to point to some shortcomings.

The White Paper's policy guidelines refer extensively to "the need for integration of transport in sustainable development". This objective, introduced by the Treaty of Amsterdam and more clearly defined by the Council of Transport Ministers in 1999, serves as a reference point and framework for the measures contained in the White Paper. Action to protect the environment should be taken in five areas:

- with regard to growth in CO₂ emissions from transport
- pollutant emissions
- growth in transport, mainly in the context of enlargement
- share of individual modes of transport
- noise.

While, on the whole, it is assumed that it is possible, theoretically and in practice, as well as desirable to break the link between economic growth and transport growth all projections are based on a continued substantial increase in the volume of traffic, although some elements might counteract this tendency, such as teleworking and teleservices: Changed methods of production– the move from a "stock" economy to a "flow" economy and relocation of certain industries to low-wage countries – will lead to an increase in goods transport. This, to us, seems realistic. Analysing possible environmental damage, though useful from a socio-economic point of view, will never win the argument against logistical reorganisation of production.

Specifically the number of car journeys will increase enormously, particularly in the candidate countries – a realistic expectation, it has to be said. What is lacking is the political will to counteract this development. Logically, therefore, no concepts are put forward to achieve this.

Further down in its discussion of environmental aspects the White Paper refers to the debates held in Gothenburg at the beginning of 2001 which were focused mainly on modal distribution in goods transport, seen as the central pivot for sustainable development.

The central approach of the White Paper is based on reducing the share of road transport in the projected increase in the overall transportation of goods.

To achieve this, a combination of three types of measures is suggested:

- pricing measures
- increased use of other modes of transport
- targeted investment in the Trans-European Network.

This is supposed to limit growth in the road haulage sector to 38 per cent after 2010, compared to the projected increase of 50 per cent between 1998 and 2010.

Further into the text, the White Paper deals with the issues of environmental pollution and damages to the environment, primarily with a view to the functioning of the economic system and the exchange of goods.

Right at the beginning, in the introduction (Section II), the White Paper states that "the problem of congestion" is now beginning to threaten "economic competitiveness", that "the European Union is threatened with apoplexy at the centre and paralysis at the extremities." It is estimated that in 2010 the costs attributable to congestion will amount to approximately 1 per cent of Community GDP.

Chronic congestion, it says in the introduction to the White Paper, is in part due to the fact, "that transport users do not always cover the costs they generate." Indeed, the price structure generally fails to reflect "all the costs of infrastructure, congestion, environmental damage and accidents." There is no explicit demand for internalisation of external cost, but there are suggestions that point in this direction.

The substantial amount of investments required to cover Europe with a tightly-knit network of transport "corridors" to ease the flow of traffic cannot be financed by traditional means. "In the new context of sustainable development, community co-financing should be redirected to give priority to rail, sea and inland waterway transport," the White Paper says.

An analysis of the specific measures leads to the following results:

- The White Paper contains a number of positive proposals the ETF can agree with.
- These proposals are not always followed through consistently. The more they contradict the idea of liberalisation (e.g. regarding financing and urban transport) the more complicated and involved the line of argument becomes, sometimes up to the point where it loses all logic.
- Many of the 60 specific measures listed, as well as measures demanded in other policy areas, will be the subject of intense lobbying on the part of individual interest groups, e.g. car manufacturers. Every individual measure that should be part of an integrated system will be at the centre of controversy.

Turning now to individual modes of transport:

Road transport

The White Paper identifies the competitive advantages of road transport arising from a high degree of flexibility and low costs. However, these advantages are largely due to the availability of cheap and flexible labour, i.e. a system of exploitation reminiscent of the situation in the 19th century. The Commission paper fails to recognise that these problems are largely the result of liberalising the industry without, at the same time, introducing acceptable social standards.

In respect of the political objective to reduce the share of road transport in overall goods transport in the medium term, some measures are proposed to raise awareness of the real costs of this transport mode. The basic idea is to pass on cost increases in road transport to the customers who will then turn increasingly to more environmentally friendly modes of transport. These measures of a purely technical and fiscal nature, however, leave enough room for road transport companies to reduce social costs, for example by:

- cutting wages
- increasing working hours
- employing cheaper labour from third countries
- relocating
- using the system of CEMT-licences
- increasing their use of subcontractors.

All these strategies are already being applied in the sector and this practice will probably intensify further if there is a rise in other costs. Higher charges for road transport will have no influence whatsoever on the modal split unless measures are available to neutralise these strategies with immediate effect. In the opinion of the ETF, income generated by levying charges on goods transport by road should therefore be used amongst other things to finance social measures, for example:

- stricter monitoring of rules regarding working hours and rest periods
- improving social conditions in the sector
- financing a safety campaign
- financing a European Social Observatory for road transport.

We are deeply disappointed that the White Paper, in its chapter on road safety, deals only with private car drivers. The safety aspect of commercial road transport does not get a mention at all. There is an urgent need for a European campaign on safety in commercial road transport (not just for publicising the emergency telephone number in case disaster strikes!).

The importance of urban transport for a sustainable transport system comes last place in the White Paper. There are no statements regarding the system of production in the industry, the issue of travelling distances between home and workplace, residential areas, leisure and shopping facilities and related costs for the society, arising from such activities.

Railways

The ETF welcomes the political will expressed by the Commission to change the modal split in transport by revitalising the railways. Particularly important in this context is the increasing volume in west-east transport. The high market share of rail transport in the candidate countries should be seen as an opportunity to change the modal split in favour of the railways also in the EU member states. The mistakes of the past must not be repeated in the candidate countries. But the mistakes identified by the Commission and the ETF are not the same:

For the Commission, it is obvious that the small share of rail transport in the goods transport market (at present on average just 8 per cent) is mainly the result of slow and inconsistent implementation of liberalisation measures. Increased competition is seen as the magic cure. Based on this logic, the candidate countries are recommended to split their companies into separate entities for infrastructure and operations.

In the eyes of the ETF, the liberalisation model pursued by the Commission has failed. The ETF considers it to be wrong to blame only the railway companies for the decline of the market share of rail transport. There are, after all, integrated railway companies in Europe which have been able to achieve above-average and significantly higher market shares. These companies must get the opportunity to continue their success. Contrary to this, the White Paper confirms the European Commission's strategy of weakening existing state companies.

Dealing with safety related aspects and environmental standards is an essential issue for workers' representatives. The ETF will support all measures which guarantee a high safety standard in European rail transport. Common safety regulations and a clear definition of responsibilities between track operators and railway companies are of great importance to us. Trade union involvement in setting safety standards must be ensured.

There is only one sentence in the White Paper by which the Commission refers to the issue of regional development policies and the need for improvements in short-distance rail transport. Furthermore, none of the proposed specific measures deal with developing regional transport, concentrating instead on long-distance transport and urban areas. Although the European Commission's proposals for a Regulation on the award of public service contracts in passenger transport is one of the central issues of European transport policy at the moment, the Commission in its White Paper does not provide answers to any of the questions relating to the form regional rail transport operations should take by the year 2010. . The Commission should investigate and use the expertise and experiences available on a European-wide level concerning regional development of rail transport services. An increased emphasis on freight and high-speed transport services must not be to the disadvantage of transport where it provides essential services to the society.

Civil aviation

The proposals on airport capacity designed to alleviate congestion are just one example where companies are asked to employ larger aircraft while it is admitted at

the same time that this would lead to even greater problems for which a solution remains to be found. The White Paper also admits that the use of bigger aircraft would increase the two problems (noise and pollution) which they are supposed to help overcome.

Infrastructure capacity at airports is being described as a key parameter for competition, particularly with the United States, while at the same time the initiative to create an internal market in air transport is advocated as a means to consolidate the sector. This would lead to an increased number of hubs, causing further congestion. In a scenario where so-called low-cost airlines make their profits by offering direct flights between cities rather than establishing route networks, this would mean an increased number of small airlines and do little to help avoid congestion. In contrast to this, the Commission seems to expect to be able to achieve just that through a process of consolidation.

Inland waterways

The ETF welcomes the fact that the European Commission considers inland waterways transport to be part of its strategy to create a balance between the different modes of transport. Inland waterways are identified correctly as an environmentally friendly, safe and efficient transport mode. The sector's image has already been damaged. Young people do not consider inland navigation as an attractive work place. The numbers undergoing training for skilled jobs have dropped. In the long term this, too, will lead to increased safety risks. The number of accidents and near accidents is rising. The White Paper still talks about promoting the transport of dangerous goods on inland waterways. However, reduced manning levels, social dumping and a lack of training will act as a time bomb on inland waterways.

Maritime Sector

The ETF welcomes the emphasis placed in the White Paper on the role and significance of maritime transport. It is especially encouraging to see the increased importance given to the rules governing social conditions and their enforcement in European short sea shipping.

Oceans, rivers and inland waterways in Europe offer an enormous potential for sustainable and environmentally friendly transport. The environmental advantages of shipping are not just limited to low energy consumption and lower exhaust emissions. The construction and maintenance of sea lanes costs practically nothing. The direct environmental impact of coastal shipping is negligible and the national fleets of EU countries can boast an excellent safety record.

Despite these obvious advantages the share of short sea shipping in the volume of goods transport within the Community barely reaches 40 per cent and although this share has grown by 27 per cent in recent years, the growth rate is lower than in road transport where volumes increased by 35 per cent over the same period. The development of sea transport as a vital component of an integrated transport system is being hampered by the fact that many ports lack adequate links with the road and

rail networks as well as intermodal facilities. The White Paper is putting forward proposals to overcome these practical obstacles, to improve infrastructure and to achieve a higher degree of integration between waterways and other elements of the transport network. The ETF welcomes this.

Similarly, the ETF welcomes the inclusion of certain inland waterways within the Trans-European Networks as well as the statement in principle that charging of infrastructure costs should apply to all modes of transport.

In addition, the ETF welcomes proposals to develop new services in the shipping sector. Suggestions put forward so far have been too fragmented in nature and not targeted enough – an integrated policy requires coherent thinking and cooperation between member states. Instead of developing competing services which might impede fair competition because of doubtful decisions regarding the flag of the vessel concerned or the nationality of the crew we must pursue structured and strategic approaches in introducing new vessels, new services and new facilities.

In the opinion of the ETF much more can – and must – be done in order to convince the decision makers in politics and in the economy that shipping can offer a real alternative. In the light of the enormous flow of goods regulated by just-in-time delivery concepts, maritime transport will have to overcome huge obstacles before users will find the idea attractive. There is a steep learning curve before there can be general acceptance of the fact that new vessel designs and speed boat technology can offer performance levels similar in speed and efficiency to those of other modes of transport.

Seafarers' qualifications in the EU: Although the debate about sustainable and integrated transport has been going on for more than a decade no real progress has been made. The high-quality vessels and well-trained and experienced seafarers needed in order to develop a network of "motorways of the sea" are disappearing fast. This will impact further on the availability of trained seafarers and thus also on these specific, high-quality products of integrated transport.

Fleet sizes in EU countries and the pool of EU seafarers have been decimated over the past decade and there is little indication that this trend might be reversed. The problem is illustrated by the Communication from the Commission on the training and recruitment of seafarers. However, in the case of EU ratings we are dealing not just with a problem of supply and demand but with a question of employment opportunities.

If the demands of modern society are taken seriously a large proportion of goods being transported today, such as waste, oil products, chemicals and gas mixtures, constitutes a risk to the environment. It is therefore essential for the European Union to ensure that high-quality vessels operated and maintained to high standards and crewed by seafarers employed for their competency and not for their labour cost are used to transport these types of cargo.

About 80 per cent of all marine accidents are linked to so-called "human factors". There is therefore a priority need to monitor and enforce social standards in the sector. The number of ships' accidents as a result of fatigue, reduced manning levels, commercial pressures in short sea transport etc. continues to give cause for concern and it is essential that member states take action to combat the appalling conditions under which many seafarers employed in coastal shipping are forced to work. The ETF is of the opinion that the member states have to keep a watchful eye on the consequences of EU enlargement in particular, and need to prepare for the very real danger that social conditions will deteriorate further in the absence of any form of social control over the expected influx of new seafarers.

The ETF's recommendations: Maritime transport offers interesting material and huge potential for redrafting and thus changing the direction of EU transport policy. The ETF is of the opinion that maritime transport has a decisive role to play in providing more environmentally friendly and sustainable means of transporting goods and people throughout Europe. This potential, however, will only be realised if the member states significantly increase their efforts to raise awareness in the sector, to make use of technological progress, to develop coherent and coordinated performance strategies and if the initiative as a whole is supported by strong national fleets and a stable basis of expertise and qualifications in the shipping industry.

The White Paper, therefore, lists measures proposed by the Commission for a wide range of areas in maritime transport which the ETF can broadly support. The White Paper refers to the Communication on training and recruitment of seafarers (COM (2001) 188 final). The ETF has indicated its willingness to accept the Commission's challenge and to enter into discussions with the European Community Shipowners' Association (ECSA) In this context the ETF points to the need for regulation beyond the limits of the European Union, particularly in an internationalised industry such as maritime transport. Due to the fact that a considerably higher number of flag states are involved in the transport of goods by sea between EU ports, fair competition must be guaranteed which safeguards the highest possible standards with regard to safety, the environment and social issues.

Such a framework should involve stricter port state controls in the countries that are signatories to the Paris Memorandum and financial penalties where breaches of rules and/or defects or deficiencies are discovered to reduce the incentive for certain ship owners to operate substandard vessels (see also the OECD study). These inspections should also cover social and working conditions. The White Paper contains some positive proposals which can be considered as important progress towards fulfilling the ETF's recommendations in this matter.

Finally, the ETF unconditionally supports the proposal to conduct a review of shipping register countries and to blacklist substandard vessels. Measures of this kind are an important contribution to maintaining acceptable conditions in the territorial waters of the EU.

Outlook: Consequences of enlargement

The ETF supports the Commission's demands in respect of enlargement:

- connecting the future member states to the Trans-European Network
- maintaining the high modal share of rail transport in the candidate countries in order to achieve a modal shift throughout the EU
- enhancing maritime safety.

In the eyes of transport workers, harmonising social standards is a necessary precondition for creating a pan-European single transport market. Enlargement will create enormous pressures, particularly on the labour market and with regard to provision of services. The ETF is of the strong opinion that the first step towards harmonised social standards within an enlarged Europe has to consist in the immediate implementation of current social provisions in the transport industry. The ETF therefore calls upon the Commission to exert pressure on the governments of the candidate countries to make this a priority. The ETF underlines in particular its position as

described above with regard to maritime safety. The governments of the candidate states have demanded a transition period until 2006 for implementing Community rules concerning maritime safety. Seeing as the White Paper treats maritime safety as one of the priority objectives for future member states, we consider these demands unacceptable.

Furthermore, the ETF urges a more balanced allocation of structural assistance to the candidate countries within the framework of the structural instrument for pre-accession (ISPA). Based on the project proposals submitted by the governments of these countries so far, a significant amount of EU resources has been made available for road infrastructure development. Significantly less resources have been earmarked for modernising the rail systems. According to the ETF's opinion, any effort to adjust the market share of individual modes of transport in the context of enlargement has to start by ensuring balanced allocation of ISPA assistance.

The ETF supports the Commission's specific projects with regard to

- infrastructure funding to eliminate bottlenecks; and
- modernising the rail network.

Candidate countries have limited capacities to take up these structural funds. The requirement to cover 10 to 15 per cent of the cost of these investment projects for transport infrastructure constitutes an enormous financial burden. In view of this, the ETF welcomes the emphasis in the White Paper on modernising rail networks. However, in view of the continued deterioration of rail infrastructure in the region the ETF clearly rejects the concentration of investments exclusively in the transport corridors as, in the long term, this will have social consequences as well as consequences for transport policy (unregulated growth of road transport, large-scale job losses).