

# **HIGH LEVEL CONFERENCE "A SOCIAL AGENDA FOR TRANSPORT"**

**4 JUNE 2015, Auto world Brussels**

**9h30-17H30**

Concluding session (16h30)

Remarks by Gianni Pittella, President of the Socialist and Democrats Group in the  
European Parliament

Dear Madam Commissioner Bulc, Dear Madam Commissioner  
Thyssen,

Dear Ministers,

Dear Director General Machado,

Dear Ladies and Gentlemen,

I would like to thank you very much for having invited me and therefore giving me the opportunity to express the views of the second largest political group in the EP on this very topical issue: A social agenda for transport. I am very honoured to share these views with such a high level panel of speakers made up of ministers coming from different member states. I know that we might not agree on everything but I hope this will help us to develop a common understanding of what is at stake when we talk about a social agenda for European transport policy.

Before going any further, I would like to congratulate very sincerely the European Commission in general and, more particularly Commissioner Bulc and Thyssen for sticking to the political commitments they both made during their respective hearing in the EP one year ago before being appointed members of the Juncker Commission. The holding of this conference is in itself a first step in the right direction. I do see it as the beginning of an important political process.

I urge however the European Commission and the Council of Ministers not to delay any longer the adoption of bold actions to address the social situation in the transport sector which is regrettably worsening rather than improving. I can assure you that the European Parliament - at least my political group - will spare no efforts to support any good initiatives that aim at comprehensibly and fairly redressing this trend.

### **A social agenda for transport : Why ?**

We all know it: transport is a vital component of the European economy. The transport sector generates both growth (it accounts for almost 5 % of EU GDP) and employment (the transport sector employs directly more than 11 Million people that is 5 % of EU total workforce). In the last 25 years, we have managed to open the European sky, to go a very long

way in breaking down national barriers in the road transport and we are still making progress in building a European railway market. No doubt, the European agenda for liberalisation pursued during the last 3 decades has profoundly reshaped the European transport sector. European consumers and entrepreneurs can enjoy lower transport prices, they take advantage of the existence of a single European area of transport, and the EU as a whole has gained some competitive advantages at global level thanks to a sharp decline of transport related costs.

A social agenda for transport needs to be holistic. Transport workforce is ageing and technological changes are going very fast, not least because of the digitalisation of the economy as a whole. We are faced with the challenge to attract enough people in the transport sector, in particular young people and women. The European Commission rightly puts some emphasis on training and formation. Ensuring high quality jobs and high working conditions in the transport sector, identifying training and lifelong learning needs at EU level as well as costs and barriers hampering the workforce to enter into the transport sector are questions that need to be high on our agenda.

**But this will not be enough. We need to have the political courage to acknowledge that the process of liberalisation in the transport sector has not led to what we could have expected in respect of social improvement of employees.** Employment and working conditions, in all transport modes, have unfortunately followed a downward spiral towards the lowest common denominator.

I know that my fellow EP colleagues - Ms Ulsvog, acting chair of the EMPL committee, Mr Cramer, chair of the TRAN committee and Mrs Ayala Sender, eminent member of the TRAN committee have had the opportunity today to echo the very serious work undertaken by the EMPL and TRAN committees in the EP in the last months. I do share their conclusions: we need to take urgent initiatives to improve the employment situation and the working conditions in the transport sector in general and as a matter of utmost priority in the road and aviation sectors.

In both sectors, we can observe worrying trends: atypical and precarious employment contracts (*such as "pay to fly" contracts*) are becoming the norm rather than the exception, bogus self-employment is exploding, "letter box" companies are flourishing, some transport undertakings are moving around just to enjoy the benefit of a less

stringent regulatory environment (the choice of a called "*flag of convenience*") , not to mention the horrific working conditions of a majority of lorry drivers who are not being paid for loading/ unloading activities or who are being forced to spend their rest time and weekends on parking areas.

It is brutally clear! We need to fight together for fairer working conditions in the transport sector. We need to put an end to increased social dumping!

### **Social Dumping or not ?**

I am fully aware that some people disagree with the very notion of "social dumping" in the transport sector. Some see it as a way to rebuild "barriers" within the European single Market. I want to underline that I do not share this point of view. When I talk about social dumping I do not wish to blame one country or another, but I want to highlight the very unfair practices of some transport companies - be there in the western part or in the eastern part of Europe - who take advantage of the lack of control of the EU legislation, who take advantage of loopholes in the EU legislation, who are far too keen to hire the least protected workers with the cheapest salary to increase their profits at any cost, who do not even recognize the freedom of association and the right to collective bargaining. In the long run these practices harm everyone: foreign and

local workers alike. They constitute clear violations of the fundamental rights we have all agreed on. Opposing "legal competition" and "fair competition" - as I have heard here and there - does not make sense. Legal competition has to be fair and based on a win/win situation for all.

**Economic freedoms cannot overrule social rights in the European internal market.**

As long as we will not have the political courage to tackle this issue together we will see more and more individual EU member states acting unilaterally to answer the concerns of their own citizens. I am fully aware of the recent road transport legislation adopted in some countries like France, Belgium, Germany, Hungary, Poland - to name a few. Some fear that these legislations are building new walls. I am not here to say whether these national legislation breach the internal market or not - this is the Commission's duty. I want to underline however that if we do not act together to raise common social standards in the transport sector we will see more and more of these national reactions.

Fortunately, there seem to be a growing consensus - and I welcome that very much - that rules, in the road transport for example, should be interpreted and enforced uniformly across all EU member states. We should acknowledge that social partners can help us very much in that

process because they have the experience from the ground. The European Commission should therefore set up without any delay dedicated working groups for each transport sector to identify very concrete measures to find solutions to the different problems. Obviously, these working groups have to involve fully and equally the social partners - industry and trade unions alike!

More generally, it is high time for the social partners to initiate and engage in a debate on the future European transport market that should be based upon a sustainable model, not only from an economic perspective, but equally from an environmental and social one! And the European Commission should draw all lessons from this exercise including legislative ones.

Of course, I acknowledge that there might be some need here and there to simplify existing legislation. But we shall never forget our ultimate political goal: make the European transport fairer and more socially responsible. We have at our disposal enough studies and impact assessments - EP committees have made many of them which are publically available ! - to act now and not wait any longer .

## **CONCLUSION**

To conclude, my political group has great expectations towards the European Commission. The college will hold next week (9 June) - if I am well informed - an orientation debate on social policy. We do see all these moves as important political signals, positive ones but we will remain vigilant.

I urge the Commission to come forward with social legislation in the transport sector. Economic recovery cannot take place at the expense of the protection of workers, of decent salaries, and of a good work-life balance. Politically, it will be very difficult to endorse further liberalisation - notably in the road freight market or in the railways - if safe working conditions and social rights of employees are not enhanced at the same pace.

Let me be blunt: one year ago, in May 2014, Europe woke up with mixed feelings. The outcome of the European elections showed a rise of euro scepticism forces on both sides of the political spectrum. Results of national elections since then did not reverse this trend, quite the contrary unfortunately. I am deeply convinced that one of the reason - certainly not the only one but still one of the reason - for this rise is the widespread feeling among our citizens that Europe is not seen any more as an engine for more and better social cohesion. We cannot and shall not ignore or overlook this evolution. I do share President Juncker's

assessment that Europe needs urgently to restore European citizens' confidence.

Let's be concrete and let's show that we can deliver an ambitious, forward looking social agenda in Europe to achieve a fair transport Europe. Politically it can be a powerful flagship initiative to regain citizen's trust ! I can assure you of my deepest political commitment to move this agenda forward. And my political group stands ready to work fast and effectively on it.