

European Commission

Review of the Common Transport Policy

Task 1.6 Social aspects - Final Report

August 2009

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1 Social aspects

Executive summary

- 1.1 Transport has an important social dimension. The European transport sector employs 8.9 million people, and therefore the social conditions of transport workers are important. In accounting for social aspects of transport activities, the CTP aims to offer a high level of mobility to people and businesses throughout the Union and promote employment quality improvement.
- 1.2 The actions taken by the EU with respect to the two goals listed above, have led to the introduction of a number of measures aimed at improving the social conditions of transport workers (which are dealt with in this report) and to develop transport infrastructure and services that allow high level of mobility in the EU (which are dealt with throughout various reports of this study).
- 1.3 Some of the actions taken have had a positive effect on improving social conditions both for road professional drivers and seafarers; with other measures under discussion to improve social conditions of inland waterway workers.
- 1.4 Unfortunately, in some areas, such as seafarers working conditions, the available data do not allow to assess whether the actions taken have reversed or addressed the decline in the number of EU citizens working in maritime jobs, which was behind the preparation of the legislation and other initiatives in this area.
- 1.5 In addition, some of the provisions introduced, like training for professional drivers, still need to enter into force or are non-prescriptive, while others are still in the pipeline, which makes it difficult to provide an assessment at this stage and produce recommendations.

Introduction

- 1.6 This report focuses on the actions taken to improve social conditions of transport workers. Issues related to the development of transport infrastructure and services that allow high level of mobility in the EU and other social issues such as safety, security and passenger rights, are dealt with in other task 1 reports.
- 1.7 Due to the nature of this policy area, the following analysis is mainly qualitative.

Sources

- 1.8 Given the specific characteristics of this Task, as defined in the specification of the objective of the CTP, the analysis will be mainly based on documents gathered for other subtasks, though studies produced for other Commission Directorates, such as the General Directorate for Fishery and Maritime Affairs, have also been used.

Structure for the remainder of the analysis

- 1.9 The analysis of the specific policy area is structured as follows:
 - Summary of the policy;

- Legislative framework;
- Qualitative analysis;
- Quantitative analysis;
- Conclusions.

Summary of the Policy

- 1.10 As a thematic policy, social aspects can be framed through other distinct areas of policy; but at its core, social aspects of transport are intended to further improve the cohesion of the EU. The transport sector is a significant employer in its own right: as such it is key to achieving the goals of the EU's Lisbon strategy for growth and employment.
- 1.11 In particular the specific objectives set within the CTP and related to social aspects is to promote employment quality improvement and better qualifications for European transport workers (with trade-offs against competitiveness policies).
- 1.12 CTP action, while most commonly related to social issues through competitiveness, can also be related to the field of social activity through the policy area of sustainable development and the environment. The promotion of different modes of transport will have huge impacts on future generations. Thus, the promotion of alternative modes of transport that can be seen as more sustainable, such as inland waterways, will bring significant social benefits.
- 1.13 Social concerns can also be met through improvements in competitiveness, infrastructure and passenger accessibility. These activities have been dealt with in Task 1.1, Task 1.2 and Task 1.7.
- 1.14 Actions related to the training of certain categories of transport workers (waterborne and road transport workers) are therefore dealt with in this task:
- **Social legislation in road transport.** The 2001 White paper pointed out that very few measures had been taken at Union level to provide a basic regulation of social conditions in the road transport sector and that enforcement of the existing ones was extremely poor. Since then, several actions have been taken to improve working conditions in the sector. Among others: Directive 2002/15/EC on the organisation of working time of persons performing mobile road transport activities; Directive 2003/59/EC on training of drivers who hold community driving licences C and D, large goods vehicles and passenger carrying vehicles respectively. Measures have been taken also to improve monitoring (e.g. requirement of introducing the digital tachograph on road vehicles) and improve checks.
 - **Social legislation in inland waterway transport.** Similarly to other transport modes, the CTP sought to enforce and harmonise working and resting times for mobile workers in inland waterway transport, and particularly the limit of 48 weekly hours of labour time, as set in Directive 2003/88/EC. In the 2001 White Paper, the Commission envisaged a proposal on rest times, crew members,

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composition of crews and sailing times¹, aimed at: making inland waterway transport safer; protecting workers from inadequate rest and excessive working time and improving working conditions; coping with the expected reductions in labour force employed in this sector. The European Commission launched in 2006 NAIADES, an action programme aimed at promoting inland waterway transport. NAIADES includes main issues to address working time arrangements, but the legislation is still in preparation.

- **Training for seafarers and other measures.** The 2001 Transport White Paper decreed that enlargement must be the occasion on which to ensure accession country compliance with social standards, starting with the International Labour Organisation's standards for seafarers. Since the beginning of the 1980s, the European Union lost 40% of EU nationals employed as seamen. This profession as a critical area for the EU as merchant seamen who are properly trained and competent ensure safety of shipping, efficient operation of vessels, proper maintenance, and reductions in the number of accidents and victims, and in sea pollution. These policies relate closely to the harmonisation of the market, wherein the costs of professional seamen should be regularised with the assurance of standards no matter which third country of origin.

Legislative framework and policy documents

- 1.15 Hereafter we first report a list of the legislation and policy documents of general relevance for social aspects of transport activities (which has generally been discussed in the reports submitted for other policy areas). Then, the legislative provisions specifically related to the measures discussed in this report are listed.
- 1.16 Legislation and policy documents of general relevance:
- Communication from the Commission to the European Parliament and Council of 21 June 2000 - Towards a safer and more competitive high-quality road transport system in the Community;
 - Communication from the Commission to the Council and the European Parliament of 6 April 2001 on seafarer training and recruitment.
 - Communication from the Commission - First progress Report on the implementation of the NAIADES Action Programme for the promotion of inland waterway transport [COM/2007/0770 final].
 - Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions of 14 January 1999: "Cohesion and Transport" [COM (1998) 806 final];
 - Communication of 10 July 1998 from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions: "Developing the citizens' network - Why local and regional passenger transport is important and how the European Commission is helping to bring it about" [COM (1998) 431 final];
- 1.17 Social legislation in road transport

¹ Chapter "Linking up the modes of transport"; paragraph 'Offering innovative services'

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- Regulation (EC) No 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonisation of certain social legislation relating to road transport and amending Council Regulations (EEC) No 3821/85 and (EC) No 2135/98 and repealing Council Regulation (EEC) No 3820/85;
 - Regulation (EC) No 484/2002 of the European Parliament and of the Council of 1 March 2002 amending Council Regulations (EEC) No 881/92 and (EEC) No 3118/93 for the purposes of establishing a driver attestation;
 - Directive 2002/15/EC of the European Parliament and of the Council of 11 March 2002 on the organisation of working time of persons performing mobile road transport activities and COM(2008) 650 - Final Proposal for a Directive of the European Parliament and of the Council amending Directive 2002/15/EC;
 - Council Regulation (EEC) No 3821/85 of 20 December 1985 on recording equipment in road transport
- 1.18 Social legislation in rail transport
- Council Directive 2005/47/EC of 18 July 2005 on the Agreement between the Community of European Railways (CER) and the European Transport Workers' Federation (ETF) on certain aspects of the working conditions of mobile workers engaged in interoperable cross-border services in the railway sector;
- 1.19 Social legislation in inland waterway transport:
- Directive 2003/88/EC of the European Parliament and of the Council concerning certain aspects of the organisation of working time and COM(2005)246 - amended proposal for a Directive of the European Parliament and of the Council amending Directive 2003/88/EC;
 - Council Directive 93/104/EC and Directive 2000/34/EC of the European Parliament and of the Council concerning certain aspects of the organization of working time;
- 1.20 Training for professional drivers:
- Directive 2003/59/EC on the initial qualifications and periodic training of drivers of certain road vehicles for the carriage of goods or passengers that entered into force on 10.09.2003;
 - Directive 2006/126/EC of the European Parliament and of the Council of 20 December 2006 on driving licences;
 - Directive 2006/1/EC of the European Parliament and of the Council of 18 January 2006 on the use of vehicles hired without drivers for the carriage of goods by road;
 - Directive 2006/94/EC of the European Parliament and of the Council of 12 December 2006 on the establishment of common rules for certain types of carriage of goods by road;
- 1.21 Training of Seafarers:
- Directive 2003/103/EC of the European Parliament and of the Council of 17 November 2003 amending Directive 2001/25/EC on the minimum level of training of seafarers;

- Directive 2001/25/EC of the European Parliament and of the Council of 4 April 2001 on the minimum level of training of seafarers;
- Council Directive 1999/63/EC of 21 June 1999 concerning the Agreement on the organisation of working time of seafarers concluded by the European Community Shipowners' Association (ECSA) and the Federation of Transport Workers' Unions in the European Union (FST);
- Council Directive 94/58/EC of 22 November 1994 on the minimum level of training of seafarers;
- Council Directives 89/48/EEC and 92/51/EEC on the general system for the recognition of professional education and training.

Qualitative analysis

1.22 The table below includes a synthesis of the outcome of CTP measures in regard to social issues.

TABLE 1.1 ASSESSMENT OF MEASURES FOR SOCIAL ASPECTS

Measure	Introduction of legislation or other initiatives
Social harmonisation of road transport	<p>Done (but ongoing). Directive 2002/15/EC on the organisation of working time of persons performing mobile road transport activities was passed. It sets common standards for the average and ultimate maximum weekly working time, breaks, night work and records of working time for drivers of vehicles, to which the driving time and rest period legislation applies. When adopting the Directive after a conciliation procedure, Council and Parliament agreed that it should in principle apply to self-employed drivers from 23 March 2009. However, a recent Commission report [COM(2007) 266 final] concluded that there was not a decisive case for including self-employed drivers, but that it had to be applied to the so-called 'false' self-employed drivers, i.e. those drivers who are not tied to an employer by an employment contract but who do not have the freedom to have relations with several customers.</p> <p>In addition, the European Commission introduced Regulation 561/2006 aimed at the social harmonisation of road transport with the aim of improving road safety as well as working conditions for professional drivers. The provision entered into force between 2006 and 2007</p>
Introduction of the digital tachograph	<p>Done. Council Regulation (EEC) No 3821/85, in particular its subsequent amendments, introduced the obligation to have a digital tachograph in all new vehicles from May 2006.</p>
Training for professional drivers	<p>Done. Directive 2003/59/EC introduced a requirement for continuous training of drivers (35 hours training every five years). The Directive came into force across all EU Member States in 2008 for bus drivers, and 2009 for lorry drivers. Yet, existing drivers will have up to 2013 to ensure their 35 hour training package is completed. In addition, the 35 hour ongoing training package is non-prescriptive. Training provision is incumbent upon the employer. Many vehicle operators, passenger service and goods, are taking the opportunity to provide training to their drivers in the areas of 'safe and fuel efficient driving' - a practice that has been shown to save up to 20% of fuel costs. Accident awareness training, customer service, and refresher driver training are all common subjects on the syllabuses of the companies now providing training to the drivers.</p> <p>The impact of the training directive is difficult to measure though: its contents are non-prescriptive and the implementation for lorry drivers occurs this year.</p>

Measure	Introduction of legislation or other initiatives
Social legislation of inland waterway transport	<p>Some progress. There is still no legislation dealing specifically with working times and conditions for workers of inland waterway transport.</p> <p>CTP objectives have encountered many difficulties in attempting to legislate in this field. Attempts to improve the social conditions of employment in inland waterway transport have met with opposition from the sector as it is characterised by a large number of owner-operators. Expected cost increases have led to a broad opposition to the legislation. Also, with the large number of owner-operators, it is anticipated that legislation would generate problems with respect to monitoring and enforcement.</p> <p>On a more positive note, in 2006, the European Commission launched NAIADES, an action programme aimed at promoting inland waterway transport as an industry, with social conditions of workers as part of the package of measures proposed. Set in the context of investment in the sector, there is a possibility that attempts to harmonise social legislation in this field will have more success than previous efforts.</p>
Training for seafarers	<p>Done. The harmonisation of training standards for all seamen that enter EU waters has been adopted and improvement of the existing minimum standards working conditions for seafarers is under discussion.</p> <p>EU standards for training (Directive 2001/25/EC) are in line with the International Maritime Organisation (IMO) Convention on Standards of Training, Certification and Watch-keeping for Seafarers, 1978 (STCW Convention), as revised in 1995; and all Member States are Parties to that Convention. One of the key aspects of this legislation and its hard impact will be in the oversight seafarers from third countries and their training through the recognition of foreign certificates and processes, and this is done through the STCW convention membership. Within the legislation there is also the provision for penalties, oversight, compliance checking, and communications on ship. With respect to conditions of employment for Community and non-Community seafarers, a 2001 Communication proposed to ensure equal conditions, which should include improved training, living and working conditions, mapping out career plans and salary levels. In June 2007, the EU Council adopted a decision authorizing all EU Member States to ratify the 2006 Maritime Labour Convention (MLC) of the International Labour Organization, in the interest of the European Community, before 31 December 2010. In December 2008, the Council of the European Union reached a political agreement on a proposal for a Directive implementing the agreement concluded by the European Community Shipowners' Associations (ECSA) and the European Transport Workers' Federation (ETF) on the MLC, 2006. This proposal for Directive will allow the transposition of part of the MLC into the "acquis communautaire". To date Member States are individually allowed to ratify the MLC in the interest of the European Community, following the decision of the European Council taken in June 2007.</p>

SWOT analysis

1.23 Table 1.2 sets out a SWOT analysis relating to social issues.

TABLE 1.2 SWOT ANALYSIS – SOCIAL ASPECTS

Strengths	<p>The contribution of transport services to economic and social cohesion is universally recognised by policy-makers.</p> <p>There has been a general support throughout the social partners for the training legislation for transport professionals</p>
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Weaknesses	Seafarers are still excluded from much of the EU social legislation. Companies and operators of training are more likely to offer training that can be shown to benefit the company directly
Opportunities	Training of transport professionals can reduce the risk of accidents Technology can help improve safety conditions of maritime workers.
Threats	In recent years there has been a massive rise in the use of flags of convenience for shipping. This can lead to exploitation of maritime personnel and should be addressed.

Results

- 1.24 It can be seen from the paragraphs above that there has been substantial progress both with respect to the improvement of social conditions of transport workers, though differences still exist between modes of transport.
- 1.25 Significant achievements have been reached in improving training conditions both for road professional drivers and seafarers, though the impact of the first is difficult to measure as its contents are non-prescriptive and the implementation for lorry drivers occurs this year only.
- 1.26 With respect to seafarers, the dramatic reduction in the number of EU citizens working in maritime jobs was behind the preparation of the legislation and other initiatives. Nevertheless, no suitable data has been found to state that the legislation or policy has reversed or even addressed this decline. Indeed, the data available, though not appropriate to address this issue as they do not distinguish figures between EU citizens and non-EU citizens working and for EU flags and other countries’ flags, show a general declining trend in maritime employment in the EU.
- 1.27 As far as waterborne transport is concerned, no achievement can be quoted to date as there is still no EU legal provision dealing specifically with working times and conditions for workers of inland waterway transport, though discussions are ongoing and legislation is in preparation.

Quantitative analysis

- 1.28 The qualitative assessment set out above can be supplemented by the quantitative assessment included in this section.

Introduction of weekend bans and social harmonisation of transport

- 1.29 Our analysis to date has shown that currently the introduction of weekend bans is limited to bans on Sundays and public holidays in Germany, Italy and France (from 10pm the day before to 10pm of the day in question). Given the limited progress with this it is clear that there has been little impact of this policy on safety and transport as a whole.
- 1.30 In terms of social harmonisation, the Commission produces a report on the implementation of the Regulation on a regular basis, the most recent one being COM(2007)622 referring to the situation in 2003-2004 and in particular in relation to the number of checks carried out nationally compared to the basic requirements. The report showed that all Member States exceeded the basic checking

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requirements except for Sweden and Portugal. The targets and their outturn value are included in table below taken from that report.

TABLE 1.3 WORKING DAYS MONITORED COMPARED TO TARGET

Member State	Minimum No. of working days to be checked	Total No. of working days checked
Austria	464 904	911 067
Belgium	726 000	1 228 736
Denmark	220 000	313 578
Finland	297 000	380 686
France	2 505 000	7 359 182
Germany	2 987 237	15 113 774
Greece	10 705	59 366
Hungary	560 002	817 974
Ireland	721 524	861 415
Italy	2 818 497	5 316 168
Luxembourg	49 455	197 586
Netherlands	544 212	563 049
Malta	128	811
Portugal	585 077	124 760
Spain	2 169 600	4 513 200
Sweden	484 000	474 595
United Kingdom	2 203 049	3 823 507
Norway	320 000	968 566
Switzerland	204 397	1 004 073

Source: COM(2007)622 Note: please see document for relevant notes and full table.

Trends in maritime employment in the EU

- 1.31 A 2006 report² for the Directory Fishery and Maritime affairs provided figures on EU maritime employment in 2004/2005, though no distinction was reported between EU and non-EU workforce and between EU and other flags.
- 1.32 According to this report, the transport sector provided a total of 303,000 jobs for EU and non-EU nationals in 2004/2005 under EU, EEA and third country flags. Poland, Greece and Italy are the largest maritime nations in Europe in terms of the number of seafarers, representing 11% of the total shipping sector workforce in Europe.

² Ecotec (2006), Employment trends in all sectors related to sea or using sea resources, prepared for the Directorate General Fishery and Maritime Affairs.

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Other important maritime nations are the United Kingdom making up 9% of total workforce, followed by Cyprus (8%), the Netherlands (7%) and Latvia (6%).

FIGURE 1.1 SEAFARERS EMPLOYMENT IN THE EU: 2004/2005 DATA

Shipping, 2004/2005									
AT	1,056	EE	4,500	HU	250	LU	1,700	SK	505
CY	24,200	FI	11,295	IE	700	MT	137	SI	1,443
CZ	967	FR	13,632	IT	34,480	NL	19,850	ES	8,000
BE	3,600	DE	10,801	LV	18,842	PL	35,000	SE	14,000
DK	14,815	GR	30,920 (41,961)	LT	11,832	PT	3,206	UK	26,520

Source: Ecotec (2006)

- 1.33 The report showed a general declining trend in maritime employment in the EU, though with differences between countries. Greek seafaring workforce has declined by a fifth (21%) between 1994 and 2004, while it has remained relatively stable in Belgium and Denmark and has increased in the Netherlands between 1997-2002 and gradually in Italy between 1997 and 2004. The UK situation demonstrated a longer term steady decline, but since 2001 the sector has displayed a slight growth in employment, although at the same time the share of British seafarers out of total seafaring population had declined.

Conclusions

The overall impact of the policy

- 1.34 The Common Transport Policy has led to the introduction of a number of measures aimed at improving the social conditions of transport workers, though its impacts have been difficult to assess either because of lack of data or because it is still early to make such an assessment.
- 1.35 In the road sector, the CTP has introduced guidelines on social harmonisation which have delivered some progress in this area. The monitoring of road vehicles for social harmonisation reasons has become a well developed activity that is looked at in detail in all Member States to ensure that the market develops in an appropriate manner and that professional drivers working conditions are in line with legislative provisions. The policy has also successfully introduced the requirement for the digital tachograph on new vehicles. However, there are still issues that need to be addressed. For instance, various Member States have interpreted and implemented Directive 2002/15/EC provisions in different ways, which have resulted in distortions of competition and differences in the minimum social standards applied across them.
- 1.36 Some of the actions taken have had a positive effect on improving training conditions both for professional road drivers and seafarers, though it is true that some of the provisions that have been introduced, like training for professional drivers, still need to enter into force or are non-prescriptive, which makes it difficult to provide an assessment at this stage.
- 1.37 Similarly, EU actions to improve social conditions of inland waterways workers are still in the pipeline, though they certainly go in the right direction.

- 1.38 In other areas, such as seafarers working conditions, the available data do not allow to assess whether the actions taken have reversed or addressed the decline in the number of EU citizens working in maritime jobs, which was behind the preparation of the legislation and other initiatives in this area.

Contemporary developments

- 1.39 The EU is strengthening its intervention in the field of harmonisation of social conditions of road workers. A Directive (2009/5/EC) has been adopted with the aim of establishing a common grading of the most common infringements to the whole legislation on driving hours and rest periods of professional drivers. Moreover a Directive (2009/4/EC) has been published aimed at detecting and preventing abuse of the tachograph system. In addition, the Commission recently presented a proposal for a directive [COM(2008) 650 final] amending Directive 2002/15/EC which intends to enhance clarity, readability and enforceability of the current rules.
- 1.40 The Commission communication on the employment conditions of seafarers [COM(2006) 287] and the Council decision of June 2007 authorizing all EU Member States to ratify the 2006 Maritime Labour Convention (MLC) of the International Labour Organization, are significant steps towards the improvement of seafarers working conditions.
- 1.41 In addition, in December 2008, the Council of the European Union reached a political agreement on a proposal for a Directive implementing the agreement concluded by the European Community Shipowners' Associations (ECSA) and the European Transport Workers' Federation (ETF) on the MLC, 2006.
- 1.42 The Directive will give legal effect to the EU-level agreement reached by the social partners in the maritime transport sector to implement internationally-agreed labour standards set by the International Labour Organisation in 2006. If approved, the Directive will amend Council Directive 1999/63/EC concerning the Agreement on the organisation of working time of seafarers, and will add complementary regulation and amend other directives concerning social and healthy aspects of seafarers working conditions.
- 1.43 As part of the NAIADES Action Programme launched by the Commission to promote inland waterway transport, legislation to address working time arrangements is in preparation.

Lessons learnt and going forward

- 1.44 Some of the provisions introduced, like training for professional drivers, still need to enter into force or are non-prescriptive, while others are still in the pipeline, which makes it difficult to provide an assessment at this stage and produce recommendations.
- 1.45 In the road sector, there has been some progress with improving the conditions of transport workers, but there are still issues that need to be addressed. For instance, various Member States have interpreted and implemented Directive 2002/15/EC provisions in different ways, which have resulted in differences in the minimum social standards applied in different States and potentially distortions of competition.
- 1.46 As for seafarers working conditions, at present data do not allow to assess whether the actions taken have reversed or addressed the decline in the number of EU

citizens working in maritime jobs, and is therefore advisable to improve the quality and type of information available.

- 1.47 Overall, employment in the shipping sector is affected by many different factors; European regulations and regimes, and the extent to which individual Member States respond to them. A 2006 report for the Directory Fishery and Maritime affairs (quoted above), argues that Member States have, to different extents, exploited European provisions dealing with ship-owners' fiscal needs and social costs associated with seafarers (including tonnage tax schemes, reduced fiscal and social security contributions for Community seafarers, training and state aid for the repatriation of EU seafarers).
- 1.48 Going forward, it must be taken into account that one of the most significant factors affecting employment in this sector in the EU in the upcoming years is the ageing profile of the EU national workforce. In particular, the poor image of the sector and the low attractiveness of the work due to long absences away from home is unlikely to attract young people, though this might be reversed in periods of economic downturn. Another key factor affecting employment in this sector is the growing number of non-EU nationals on board of the EU fleet, together with concerns from the trade unions on the quality of and equality in employment.