

THE ROAD TO TRANSPARENT AND FAIR REMUNERATION AND WORKING CONDITIONS IN THE TRANSPORT SECTOR



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THE TRANSFAIR PROJECT

Fair remuneration and decent working conditions in cross-border road transport and its enforcement are one of the top priorities in European debates about equal rights for workers on the move in Europe. The EU project TransFair's **research** focused on economic aspects of road transport in Europe, working conditions of non-resident drivers and correct remuneration in a cross-border setting. The **cooperation** of stakeholders was achieved by a series of workshops and actions between transport unions and Labour Inspectorates from different European countries. Multilingual leaflets were produced to **improve information** to drivers in European road transport. This newsletter highlights key findings and project outcomes.

LONG TRANSPORT CHAINS IN EUROPEAN ROAD TRANSPORT

In the last two decades, **cross-border road haulage massively relocated from Western to Eastern Europe**. In terms of transport company entanglement and power relations, TransFair research shows that **rather EU-15 companies, and those with higher turnover, set up a foreign subsidiary ("flagging out") in EU-13 Member States** than the other way round. While many drivers indeed work for companies established in Eastern Europe, their orders usually come from Western European logistics companies, contracted by a corporate client. Consequently, **a long transport chain is established**, that draws on companies and workers from EU and third countries having different (power) positions in the chain. Freight forwarders and clients apply high cost and performance pressure on hauliers, and the **direct consequences of breaches of social regulation** – driver fatigue, too few rest and too long driving times as well as incorrect remuneration – **are borne by the last link in the chain, the drivers**.

DRIVER SHORTAGE MET BY RECRUITMENT FROM THIRD COUNTRIES

Driver shortage in road haulage is a major sectoral problem. Working conditions in long distance haulage across Europe are notoriously bad and **remuneration does often not compensate for the hard work on the road**. However, working conditions have not improved significantly as a consequence of driver shortage. It is instead met by **labour supply from low-income countries outside the European Union**: Ukrainian, Russian or Kyrgyz drivers are recruited by **Polish, Czech or Slovak** transport companies; Serbian, Bosnian or Albanian drivers work for **Slovenian** or Bulgarian companies, providing transport services throughout Europe. **Drivers from third countries are often in an even more vulnerable situation than local drivers**, as they are not well informed about rights and entitlements and can have an insecure residence status. The high demand for third country national drivers emphasized the role of **temporary agencies for recruitment**.

CORRECT REMUNERATION – A KEY PROBLEM IN ROAD TRANSPORT

In July 2020 following year-long debates about the “**mobility package**”, most recent amendments in European legislation concerning labour and social conditions and fair competition in European road haulage have already or will become effective soon. **Rules about international drivers’ remuneration remain complicated.** They depend on European legislation, national regulations about drivers’ remuneration and are constantly changing also due to European jurisdiction by the ECJ. What we learnt from the TransFair research is that the **structure of remuneration in the sending countries of drivers is quite similar.** It mostly consists of a rather low minimum wage that is topped up with per diems, km-based payment, and bonuses. **Drivers on international journeys are often not paid correctly.** Non-compliance reaches from underpayment to non-compliance with posting rules that apply for drivers providing transport services abroad, from paying daily allowances based on driven kilometers instead of an hourly wage to incorrect deductions from remuneration. TransFair produced **leaflets for drivers** on international journeys in different languages **to inform about basic labour rights and how best to enforce them.**

COMPLEX LABOUR INSPECTION IN ROAD TRANSPORT

TransFair’s bilateral and transnational **inspectorate workshops** showed that **inspection of fraudulent payment practices in transport is difficult:** different authorities (Labour Inspectorate, financial police, traffic police) from different countries are involved. They should be familiar with foreign remuneration systems to assess an infringement. Or competent authorities should have good practices of exchange with their colleagues abroad. Both is often missing. Moreover, inspection authorities need to correctly evaluate if a driver is subject to the posting of worker directive and enjoys key aspects of labour legislation of the host country. Inspectors are **often not specialised in road transport’s complex rules** or they are not competent for specific types of inspections and would need cross-border or cross-institutional backup. For 2022, the **European Labour Authority** proposed a framework for action in road transport with a focus on information, cooperation and enforcement.

TRADE UNIONS REACH OUT TO INTERNATIONAL DRIVERS

Not only Labour Inspectorates are challenged with the enforcement of drivers’ labour standards. Likewise, trade unions need to consider drivers’ vulnerable and often complicated work situation. TransFair produced a multilingual **training material** for trade unions active in the road transport sector focusing on four key questions:

1. How to strengthen **transnational union cooperation**?
2. How to **prepare information for truck drivers** to enable them to assert their rights as workers?
3. How to **build trust with workers** so they get the support they need from unions?
4. How to **enable cross-border legal representation** for non-resident drivers?

SAVE THE DATE FOR THE TRANSFAIR CONFERENCE: MARCH 31-APRIL 1, 2022 IN GDANSK

We cordially invite an interested audience to the **TransFair final conference.** It assembles all project partners and participants, including representatives of social partner institutions, labour inspectors and researchers to discuss project outcomes and conclusions for future policies to safeguard labour standards in cross-border European road transport. In dialogue with key stakeholders from national, EU and international level, the final conference shall give the floor to share, disseminate and critically assess TransFair findings. We keep you updated!

CONSORTIUM

The TransFair consortium consists of the research institutes FORBA (AT, coordinator) and KU Leuven/HIVA (BE), the non-profit organisation MKC (CZ), the trade unions ÖGB-vida (AT), BTB-ABVV (BE), NSZZ “Solidarność” (PL), NSDS and ZSSS (SI), OSD (CZ), catus (SRB), ETF, the worker advocacy institutions AK Wien (AT) and Faire Mobilität (GER) as well as national Labour Inspectorates (BE, SI).

