Speech of VP Siim Kallas to the European Transport Workers' Federation Executive Committee meeting Brussels, 31 May 2011

The White Paper "Transport 2050" and its social agenda

Ladies and Gentlemen,

I am very pleased to be here today to meet the ETF's Executive Committee. I give great importance to social dialogue. I am very pleased we manage to hold regular meetings with leading members of your Federation, a practice I intend to keep during my whole mandate.

Today I am happy to present the Transport **White Paper** to you. I will focus in particular on its social dimension and the social measures it proposes: its "social agenda".

The White Paper "Transport 2050"

Our White Paper – we prefer calling it a "roadmap" is a component of the Union's 2020 growth strategy which calls for a "resource efficient" Europe. This is basically what we set out to achieve in transport.

Europe faces the known challenges of global competition, congested infrastructures, oil dependency, climate change and other environmental nuisances. To meet them, the White Paper sets two formidable objectives for the future of the Transport policy:

- the setting up of a **Single Transport Area** where all residual physical, administrative or market barriers between modes and systems have been eliminated;
- and the objective of **cutting down the CO₂ emissions** of the transport **sector by 60% by 2050**, with the twin objective of breaking the now almost total (96%) oil dependency of the transport sector.

To attain these two objectives we propose 10 goals for 2050. Some of them have been widely quoted such as having no more conventionally fuelled cars in city centres, or the 50% shift in mid-distance transport to the cleaner modes. A top priority goal is to bring road fatalities close to zero as human lives are by far our most valuable resource.

40 measures have been proposed in a roadmap, grouped around 4 themes:

- **Integration** in the **Single Transport Area** without barriers and with a high degree of convergence and enforcement of rules, standards and rights.
- **Innovation** to make more efficient use of limited infrastructure and move out from fossil fuel based technologies;
- Infrastructure as backbone of the Single Transport Area and deploy innovation, including the completion of a corridor-based TEN-T "core network"; this infrastructure will be increasingly self-financed, applying the user pays and the polluter pays principles.

- and **International** aspects to promote the Union's solutions to improve **transport sustainability at world level**. We must also link with our neighbours and keep third country markets open to our services and standards.

Of all these actions, I will focus here on the quite **immediate task of creating a Single Transport Area. This task is full of social implications** of which we want to take care.

The Single Transport Area measures

The creation of a Single European Transport Area will require a number of measures among which:

- the creation of a **Single European Railway Area** by making the new rail freight corridors work and by opening domestic passenger railways to competition;
- the completion of the **Single European Sky** supported by SESAR;
- an upgrade of the capacity and quality of airports including a revision of the slot regulation and a review of the **groundhandling legislation**;
- the creation of a **Blue Belt** of free maritime movement in the Seas around Europe to further develop the European maritime transport space without barriers;
- seeking efficiency gains in seaports by reviewing port legislation. This review
 may give rise to improvements in the ports' regulatory framework, both on
 market and social protection aspects;
- a review of the market situation of road freight transport with a view to the
 elimination of remaining restrictions on cabotage. A greater cabotage
 freedom will be beneficial for our SMEs which rely on the capillarity offered by
 road transport.

Any individual measure will of course be preceded by thorough studies and **Impact Assessments including its social impacts,** as well as by wide consultations with the social partners.

If all these assessments confirm that the measures are beneficial for the Union we will go ahead with them. I am certainly **ready to discuss the specific conditions** of these measures as well as **any accompanying social measures** to mitigate their social impacts, insofar as the overall benefits for the Union are preserved.

The White Paper's Social Agenda

The White Paper deals extensively with social aspects. It makes clear that the creation of a Single European Transport Area should go together with a higher degree of convergence and enforcement of social rules. It adds that market opening needs to go hand in hand with quality jobs and working conditions.

I am deeply convinced that the efficient functioning of an advanced transport system will not be possible without well trained and highly motivated workers, satisfied with their jobs.

To make of this objective a reality, a number of social measures ccan be carried out with your help or by you taking **the leading role as social partners:**

In **road freight transport** the application of adequate social standards will open the way to the liberalisation of cabotage. Rather than use the Commission's right of initiative I would like to invite the social partners to propose the development of these social standards. A social dialogue agreement on a **"Social Code"** could be transposed into a Council decision.

- For **maritime transport**, the Report of the Task Force for Maritime Employment and Competitiveness will be ready soon. I expect from it practical recommendations for improving the seafaring profession in Europe. Shortly later I will make a proposal to update the seafarers training directive. Finally, still this year, I will make a proposal to enhance the enforcement of the ILO's Maritime Labour Convention, which was brought into EU legislation through social dialogue.
- The establishment of the internal market triggered a substantive creation of new jobs in the **air transport** sector and significant changes in its employment structure. We intend to update the study we made some years ago in this field to take into account the economic crisis. But this sector is also characterised by a high degree of economic integration and of transnational mobility notably for pilots and crew. We want to have a clearer picture on this aspect in order to avoid any unfair situations as regards **the social standards** applied. In addition we will establish a **mechanism to analyse the impact of future regulatory developments on working conditions** in air transport. Following the example set in the context of the Single Sky, I would also like to introduce, with your collaboration, **Europe-wide minimum service and quality standards for workers** in the whole aviation value chain.

Moreover, the White Paper plans to carry out an **evaluation of the EU approach to jobs and working conditions** across transport modes. I **strongly encourage you to put in practice this measure through social dialogue channels**. It would include:

- a reflection on the ways to facilitate social dialogue itself so as to improve its
 effectiveness; the ways to promote European Works Councils would also be
 studied;
- an assessment of the quality of work in all transport modes with respect to training, certification, career development and working conditions. The purpose of the exercise will be to increase the quality and the attractiveness of transport jobs. One of the biggest threats to the roadmap comes from the expected skills shortages due to ageing and technological change. Social dialogue committees should also provide warnings and propose remedies when these shortages materialise.

Conclusions: encouraging Social Dialogue for a stronger social dimension

We have undergone a very severe economic crisis from which the recovery is now certain but quite uneven. The White Paper takes the generally accepted view that the **transport sector will grow robustly**. We have no intention to restrict this mobility. The sector's growth will help to create new jobs and to have a socially fair energy transition.

The ways to orchestrate the deep transformation ahead of us will not be exempt of conflict situations. We have to use the **problem-solving potential of social dialogue** to help firms and workers adapt to change notably by providing them with an adequate legal framework.

As it has been demonstrated in practice, **Social Dialogue is a fundamental tool** to transform the transport sector and to improve the legal framework. This is acknowledged by the White Paper and **I am also expecting a lot from it, as you have just heard**.

Accordingly, I would like to **actively support Social Dialogue activities** to become much more pro-active. We will do this within the limits of our **facilitator role** and in good cooperation with **Commissioner Andor** and his services.

I would like finally to ask for **your active support** to our roadmap towards the necessary transformation of the transport sector. Thank you very much for your attention.