



October 2009
AK Position Paper

A sustainable future for transport:
Towards an integrated, technology-led and
user-friendly system

About us

The Federal Chamber of Labour is by law representing the interests of about 3.2 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore the Austrian Federal Chamber of Labour is a part of the Austrian social partnership.

The AK EUROPA office in Brussels was established in 1991 to bring forward the interests of all its members directly vis-à-vis the European Institutions.

Organisation and Tasks of the Austrian Federal Chamber of Labour

The Austrian Federal Chamber of Labour is the umbrella organisation of the nine regional Chambers of Labour in Austria, which have together the statutory mandate to represent the interests of their members.

The Chambers of Labour provide their members a broad range of services, including for instance advice on matters of labour law, consumer rights, social insurance and educational matters.

Herbert Tumpel
President

More than three quarters of the 2 million member consultations carried out each year concern labour, social insurance and insolvency law. Furthermore the Austrian Federal Chamber of Labour makes use of its vested right to state its opinion in the legislation process of the European Union and in Austria in order to shape the interests of the employees and consumers towards the legislator.

All Austrian employees are subject to compulsory membership. The member fee is determined by law and is amounting to 0.5% of the members' gross wages or salaries (up to the social security payroll tax cap maximum). 560.000 – amongst others unemployed, persons on maternity (paternity) leave, community and military service – of the 3.2 million members are exempt from subscription payment, but are entitled to all services provided by the Austrian Federal Chambers of Labour.

Werner Muhm
Director

Executive Summary

The AK criticises that the urgently required basic change of direction does not happen and the Communication of the Commission is on the whole little innovative.

Based on the present Communication, the European Commission (EC) presents its vision for future of transport within the Union.

The urgently required basic change of direction does not happen and the Communication of the EC is on the whole little innovative. It is to be feared that the present programme will neither be able to fulfil the climate protection targets nor the requirements of the Lisbon Strategy. Apart from that, a realisation of the current transport policy targets (shift to environmentally friendly modes of transport as well as economic, ecological and social transport) with the present Communication seems to be highly unlikely.

AK therefore asks the Commission to urgently amend the Communication and in particular to review the sectors concerned with social issues and job conditions as well as the competition policy.

AK in particularly requests:

- Review of the Trans-European Networks with regard to improving the coordination and the optimised realisation of projects
- Improvements to motorway station areas
- Review of the Eurovignette Directive
- Clear proposals on the future policy to improve the situation of workers in transport-related employment. It must be the target of the EU to create uniform, legally binding and controllable regulations concerning the mental and physical demands on safety-relevant personnel, the area of availability, driving/working and rest times (tachograph) and technical standards in particular in safety-relevant areas, in environmental protection and in occupational health and safety
- Clear responsibilities and starting points for controlling the adherence to regulations with all modes of transport
- No preference of goods transport in relation to passenger transport by rail
- Improvement of cost transparency in transport

The AK position in detail

In COM (2009) 279/4 (referred to below as the "Communication"), the European Commission (referred to below as the "Commission") presents its ideas on the future handling of transport within the European Union. The focus is on a small number of policy areas, for instance "intelligent" transport systems, new technologies and road transport safety. The Communication no more than touches on a number of other aspects of transport of no less significance, such as working conditions and security of supply. Consequently, the Commission misses an opportunity to take an integrated approach involving a comprehensive and objective depiction of the transport sector. The Austrian Federal Chamber of Labour (referred to below as AK – the abbreviation of its German designation "Bundesarbeitskammer") feels the Commission made incorrect fundamental assumptions and drew the wrong conclusions about the sector as a whole based on individual modes of transport. A fundamental change in direction is urgently required but does not occur and overall, the Commission's Communication shows little innovation. AK fears that the programme presented here will satisfy neither the climate protection targets nor the specifications in the Lisbon strategy. It seems highly improbable that the goals of the previous transport policy (a shift to environmentally friendlier modes of transport and

more economical, ecological and social transport) will be realised with this Communication.

AK therefore calls on the Commission to make urgent improvements in the Communication, particularly to revise the passages dealing with social aspects and working conditions as well as competition policy.

AK takes the following position on the individual points in the Communication following the form sent by the Commission:

1. Infrastructure

TEN

The Commission completed an online consultation on the Trans-European Transport Networks (TEN) in the spring of 2009. AK welcomed a revision of the objectives at the time. A big aspect of this is to have, say, a common body coordinate the EU funding pots for infrastructure (TEN funding, Structural and Cohesion funds). Efforts must be made to reconcile conflicting interests among the individual Member States or between the individual Member States and the Union as a whole. It is not productive to "force" individual Member States to implement infrastructure projects that obviously run counter to their interests, e.g. by increasing the amount of traffic along roads.

The AK fears that the programme presented here will satisfy neither the climate protection targets nor the specifications in the Lisbon strategy.

It is also not productive to negate in full the regional routes (e.g. in rail transport) at European level. On the one hand, doing so would mean the Union has no input (and way of financing) a number of alternative routes (e.g. in rail freight transport). On the other hand, it also means a change in the current TEN approach of serving the transport industry or an extremely small group of rail travellers in international high-speed rail transport. Greater consideration of regional needs would also make it easier to do something for which the Commission itself has called, namely to “present the TEN policy more credibly to European citizens.”

The AK underlines that disregarding the regional routes is a fatal mistake precisely because the main routes (the TENs) depend on these feeder infrastructures.

Disregarding the regional routes is a fatal mistake precisely because the main routes (the TENs) depend on these feeder infrastructures. Based on positive experience in Austria, AK refers to the promotion of local railway spurs, i.e. the expansion of rail systems directly to the plants of commercial and industrial enterprises. This step enables wagonload transport in rail transport and is one of the main reasons rail transport accounts for such a high portion of total transport in Austria and Switzerland compared with the EU-27.

It is certainly correct that projects involving environmentally friendlier modes of transportation (ship, rail) are now on the priority list. However, the projects being carried out and funded are mostly road projects. AK asks that the Commission clearly formulate the criteria that are to be applied to projects in future. The selected approach

should in any case be supplemented by investigations on how it affects environmental policy.

Rest stops for trucks

Priorities in road infrastructure investments should be set for rest stops and parking areas for trucks. AK reminds that compliance with the EU regulations on driving and rest times (EC 561/2006) implies that parking and rest areas of sufficient number and quality are provided along the Trans-European Road Network (TERN). This step must also be viewed as a valuable contribution to traffic safety and as a positive step for the environment (prevention of wasted truck kilometres from driving to and from overflowing rest areas).

Steps taken thus far by the EU Commission (especially Secure European Truck Parking Operational Services SETPOS) are laudable and should be intensified (e.g. increased security for trucks and drivers, reservation systems at truck rest stops). However, they fall far short of meeting the challenge (compare also the comments under 4. Lega Framework. The reader is referred in this context to the joint resolution of the European social partners IRU (International Road Union) and ETF (European Transport Workers' Federation) dated March 2006.

A directive based on Art 71 EU Treaty should specify the availability of sufficient infrastructure for parking and rest areas for road freight transport on the Trans-European Road Network (TERN). Minimum criteria similar to

those in the Tunnel Safety Directive (Directive 2004/54/EC) must be set for motorway operators to accommodate needs from the increased volume of truck freight transport on the TERN and the EU regulations for compliance with driving and rest regulations. These criteria must call for a minimum amount of parking area in relation to the volume of trucks and maximum distances between the individual rest areas as well as minimum quality criteria (e.g. lighting, emergency calling devices). IRU and ETF should be duly integrated in the process as representative social partners. AK also draws attention to a proposal for a revision of the Eurovignette Directive. It was accepted in the first EP reading and boils down to earmarking toll revenues for erection of such facilities.

2. Financing

AK does not share the Commission's fear that an older population "will put a strain on the supply and maintenance of transport infrastructure" (compare Point 22). The amount of funding available is determined not by aging but by a policy decision.

PPP

For AK, public-private partnership models (PPP) are by no means a way of escaping the public budget crisis and could turn out to be extremely expensive for the economy as a whole. The advantages of the public sector and private partners in PPP projects can only be optimized if all economic and political risks are carefully assessed. PPP models are all too easily viewed

in policy discussions as a panacea for dealing with empty government coffers. That is the problem. With the word "partnership", PPP suggests two partners of seemingly equal rank and encourages the positive associations of a "win-win" situation. But European and Austrian experience shows a lack of comprehensive evaluations and indicates that many cases could by no means be described as "win-win" situations. Private parties generally pay more for financing than government does and PPP projects incur high transaction and monitoring costs. The parties involved can only achieve possible advantages if they assess all risks that could occur throughout the entire contract term and service life of the infrastructure. The push for public-private partnerships is often a pretext for privatizing public services or reducing social services and wages. That is the criticism AK raises. Both efforts should be firmly rejected from the perspective of taxpayers and transport workers. Government must continue to be committed to the development and funding of transport infrastructure as one of its major responsibilities. Democratic monitoring and control of public services must also be guaranteed for the long term.

External costs

AK agrees with the analysis in the consultation document. External costs are not always fully taken into account in the pricing of modes of transport, which can lead to questionable locations for factories and production units („off-shore outsourcing") (compare Points 13 and 15-18). In this

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same context, however, AK would stress that calculations often exclude not only negative external factors related to the environment (e.g. climate change, air pollution, noise, soil pollution, use of landscape) but also costs resulting from accidents and non-compliance with legal social regulations such as break and rest times for drivers and speed regulations.

A policy goal should be to internalise external costs in transport prices for all market players calculable at EU level. AK categorically dismisses fears that the mandatory internalisation of external costs could lead to a general increase in prices and a decline in competitiveness for the European economies in general. The introduction of toll systems in Austria, Germany and Switzerland based on road use triggered no such inflationary upsurge but did increase efficiency in the transport sector (e.g. lower number of empty trips).

In the overall economic assessment of a truck toll, attention must be paid to how the collected revenues are utilized (e.g., for infrastructure investments, to reduce the tax load for society). For the rest, Switzerland certainly demonstrates that high truck tolls and competitiveness are not mutually exclusive.

Given the predominance of road freight traffic over other modes of transport, fiscal measures should be taken at EU level primarily for roads. AK considers one such measure to be the prompt enactment of the Eurovignette Directive currently under revision. The revised version should contain

the following elements:

- Toll surcharges for noise, air pollution and consequential costs from accidents
- Toll surcharges for climate change as long as the EU has not agreed to a harmonized framework for mineral oil taxation to cover climate costs

The goals in the medium and long term should be as follows:

- To introduce a minimum road-pricing toll for trucks on TERN motorways
- Toll surcharges for transport-related costs of soil and water pollution, use of landscape and from upstream and downstream processes due to the EU methodology for internalizing incorporating external costs in transport

Independent of the current debate on full incorporation of costs and the application of the polluter pays principle in road transport; new cross-funding approaches must be taken to creating environmentally friendlier transport infrastructures. The leeway given in Art 7 of the currently valid Eurovignette Directive (compare Art 7 (10) c, Directive 99/62/EC in the version designated 2008/38/EC) is overly restrictive in AK's view. EU-conforming freedom of action should be extended to allow toll surcharges to be collected on all sections of TERN motorways, provided concurrent TEN projects in the rail and inland navigation sectors are funded with the revenues. This step appears appropriate in light of the enormous

The AK argues for the prompt enactment of the Eurovignette Directive currently under revision.

need for investment in TEN development.

Fair allocation of costs is also a crucial topic for aviation. It is anachronistic to exempt aircraft fuel from the mineral oil tax and plane tickets from value added tax. These practices give aviation an unfair competitive advantage over all other modes of transport and are wrong in terms of distribution policy. AK therefore demands that aircraft fuel no longer be exempted from the energy tax at European level. Cross-border air transport is also privileged as regards value-added tax. Efforts should be made to achieve equal treatment of the modes of transport at EU level with respect to VAT taxation of passenger transport.

3. Technology, Environment, Safety

AK sees definite potential for increased traffic safety and efficiency and the opportunity to introduce new technologies with positive effects on the environment, but warns against making overly optimistic assumptions based on previous experiences.

From the standpoint of workers, new intelligent transport systems clearly have many ramifications for jobs in the transport sector, particularly where system conversions and different systems are involved. Most importantly, they could worsen the quality of jobs and data privacy in concrete ways. In particular, employers can track employees using satellite location systems. This capability greatly undermines working conditions. AK therefore

calls for the following measures to be taken in connection with an introduction of new technologies:

- The planning and implementation of smart transport systems must involve the social partners and must consider the estimated effects and possible negative impacts of these systems on employment, working conditions and worker protection.
- Data registered by smart transport systems must be rendered anonymous and must not be allowed to be used for purposes other than those mentioned in the proposed directive (e.g. to assess an employment contract).
- Possible impairment of data protection must be considered or avoided also ex-ante in the development of smart transport systems ("privacy by design").

The use of electronic tolling systems is a key technical instrument in the transport sector. In its comments in the consultation document (compare Point 50), the EU Commission once again fails to take a technology-neutral approach. With reference to the different toll models in Germany, Austria, Switzerland and the the Czech Republic, all technical possibilities should be listed, e.g. DSRC (Dedicated Short Range Communication System), GPS (Global Position System) and GSM (Global Navigation Satellite System).

Experience in these countries has shown that the costs for managing, operating and introducing these toll

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systems could be reduced substantially if toll operators were dealing with a standard toll device in the vehicle that could be operated with all technologies. The Commission has announced ideas along these lines but has never taken steps to put specific ones in place. As Galileo is the most ambitious EU industry project of all, work should be continued on an open "in-vehicle platform" architecture to ensure its possible use in transport.

AK is not always able to follow the Commission's evaluation of air pollution in urban areas. Progress has undeniably been made (especially in Euro vehicle emission standards) but compliance with EU emission standards for fine particles (PM 10) and nitrogen dioxide (NO₂) is not foreseeable for the time being, especially in congested European urban areas.

As regards the vehicle emission standards, it should be noted that the introduction of Euro 5 and 6 for passenger vehicles and light utility vehicles was implemented too late at EU level to ensure timely compliance with EU emission standards for fine particles (PM 10) and nitrogen dioxide (NO₂) in the EU Member States. AK refers in particular to the most recent findings. They indicate that the introduction of Euro 6 may reduce the output of nitrogen oxides but could well increase the primary NO₂ output from diesel combustion engines.

AK also warns against excessively high environmental hopes as regards the development of alternative technologies for vehicle drives, particularly

for urban areas. Even with alternative drive technologies (assuming they are widely used), motorized individual transport is and will continue to face a number of problems in cities. A scarcity of space is one (parking problems, competition with other users of public space such as commercial enterprises, recreation seekers, children, etc.). Noise is another (besides engine noises, there are also rolling noises and wind noises that vehicles make). Accidents and congestion at peak traffic times make for a third set of problems. AK also advocates that the environmental friendlier modes of transport as public transport, bicycles and pedestrians be favoured. This combination would be a cost-effective approach to sustainable transport especially in heavily populated urban areas.

4. Legal Framework: Work Conditions, Safety, Passenger Rights

Work Conditions, Traffic Safety

AK agrees with the Commission's assessment that working conditions for transport workers have to be improved (compare Point 41.). It firmly rejects the Commission's statement "that the ETP has largely achieved the objectives set out (...) by substantially contributing to the development of the European economy and its competitiveness, by facilitating market opening and integration, by establishing high quality standards for safety, security and passenger rights and by improving working conditions" (compare Point 6).

The AK agrees with the Commission's assessment that working conditions for transport workers have to be improved.

The Commission asserted several times that working conditions in the transport sector have improved (e.g. compare also the Commission's report on the implementation of the first railway package COM 2006/189). This view may support the picture of the successful deregulation of transport markets that the Commission is trying to convey, but it does not match reality.

The Union has indeed passed social legislation for the transport sector, e.g. the directive on the certification of train drivers (Directive 2007/59), the regulation on recording equipment in the transport sector (Regulation 3821/85) or the harmonization of certain social legislation relating to road transport (Regulation 561/2006). This small body of regulations by no means suffices to ensure workers of sufficient protection given the deregulation of this sector pushed by the EU. Liberalization has opened the door to shady contractual constructs and not just in road freight transport ("flying flags of convenience"). Work conditions continue to deteriorate and workers continue to be exploited due to the rushed deregulation of the market and the failure to take sufficient steps to ensure social safety nets. To deny this would be to mock the affected individuals. The Commission raises false expectations with statements like "The social dimension of transport policy was strengthened also with respect to transport workers." Instead, the Commission would have been better advised to present clear proposals for future policy aimed at improving the situation of transport workers. As in years past, not even

vague proposals along these lines have been presented.

The only place the Commission gives a reason for its negligence in this regard is in a report entitled "Evaluation of the Common Transport Policy of the EU". In its analysis of working conditions (Chapter 5, "Working Conditions", subsection 5.48), the Commission notes that the available data does not allow an assessment to be made on whether or not the steps taken were successful. Nonetheless, the Commission is obviously still able to assess that its own deregulation policy was a complete success on the labour market: "Competition and innovation have positively impacted the transport labour market. However, transport workers in some sectors may be displaced from their jobs as a result of the adjustment to a radically different economic and energy context (compare Point 54)." As in previous years, the Commission unfortunately fails again to specify exactly what it means by "positive impacts", also with regard to workers in the sector trying to cover everyday living costs with incomes that are not secure. The Commission likewise fails to say how many more workers can be "displaced from their jobs" before it stops talking about the blessings of unrestricted deregulation.

AK notes that the Commission actually does have an obligation to analyze working conditions in rail transport (compare Directive 2004/51/EG Art 1). The Commission was apparently not able to or the results are being intentionally concealed.

The AK also notes that the workforce employed throughout Europe in rail transport has declined dramatically since liberalisation began.

AK also notes, for example, that the workforce employed throughout Europe in rail transport has declined dramatically since liberalisation began. From 1970 to 2000 alone, over a million jobs were destroyed in the EU-15. In several Member States, the workforce was reduced to one third of its former level. The zenith has not yet been reached, especially in the new Member States. Personnel reductions also took place in the 1970s and 1980s at European railways, but it is obvious from the rapid pace of personnel reduction since the liberalization of this sector that liberalization measures at least contributed to a significant acceleration in this trend.

If you interpret "positive" impacts to mean the goals of the Lisbon strategy for more and better jobs, this has certainly not happened. However, there are ample sources of information available for anyone wanting to know the extent to which the liberalization of the transport markets has been a social policy fiasco say for the road or rail sector or for inland navigation. Studies¹ on the previous impacts of

¹ As part of the Sixth Framework Programme, the Directorate General for Research in the European Commission financed a research project "pique." This project investigated the impacts that the privatization of public services had on employment, productivity and the quality of service. The transport sector was included. The project findings are available at the website of the project consortium <http://www.pique.at>.

Further studies point in this same direction: e.g. those of Forschungs- und Beratungsstelle Arbeitswelt (FORBA) or of the European Foundation for the Improvement of Living and Working Conditions

Verkehr und Infrastruktur No. 28: Weichenstellung für Europas Bahnen – wem nützt der Wettbewerb? [Transport and Infrastructure:

liberalization on workers point to dramatic deterioration in the sector. Below are several summarized results from these studies.

Far-reaching measures to lower labour costs are among the effects on labour costs, wages and salaries:

- Reduction in the increments of salary increases
- Worse collective agreements or none at all (e.g. in the event of outsourcing) – Wages reduced by as much as 25% for new workers
- A direct reduction of basic wages is rare.
- Lower wages in the event of outsourcing and new suppliers
- Reduction in extra-pay and bonuses
- Trend toward wage dumping – Risk of low-wage sectors being established
- Decoupling of work time and pay

The following effects on employment and working conditions can be observed at companies:

- New work time arrangements: Hours are more flexible, more condensed, and more extended

Setting the direction of the European railways – Who is benefiting from competition? <http://wien.arbeiterkammer.at/pictures/d40/Studie28-wemnu-etzttwettbewerb.pdf>

Re the future of public services, Volume 2: Liberalisierung öffentlicher Dienstleistungen in der EU und Österreich (Liberalization of public services in the EU and Austria) <http://wien.arbeiterkammer.at/pictures/d10/Liberalisierung-Band2.pdf> or also http://wien.arbeiterkammer.at/bilder/d97/Oeffentliche_Dienstleistungen_7.pdf

- Increase in the intensity of work and stress
- Individualized employment: Income uncertainty
- Introduction of precarious and atypical forms of employment
- Reduction in slots for trainees and in continuing education and training

The erosion of employment standards undermines the quality of public services and contradicts the EU objectives for employment:

- Reduction in employment reduces the employment rate.
- Reduction in labour costs reduces wages and increases insecurity about income for workers.
- Growing intensity and uncertainty cause job quality to erode.
- Workers bear the burdens of stress, frustration and lack of motivation.
- Worsening of work conditions runs contrary to the goal of keeping people employed up to a more advanced age.
- The reduction in initial and continuing education and training runs contrary to the goal of strengthening people's employability.

AK therefore demands that the ramifications of EU policy on jobs in the transport sector be fairly and openly analysed. The goal of the EU must be to put standard rules in place that are legally binding and can be monitored. These rules should cover

- the mental and physical requirements on personnel with security tasks (i.e. not just for truckers, train drivers, captains, pilots and the like but also for shunters, staff on the train, station masters etc.) and give special consideration to the content and duration of education and training,
- deployment, work time and break time (tachograph) and
- technical standards, particularly in areas related to safety, environmental protection and worker protection

and should establish clear-cut responsibilities and linkages for the monitoring of regulations among all modes of transport. Of course the social partners must be integrated to ensure due representation for the sector.

The bodies executing and enforcing technical harmonization (e.g. the European Railway Agency) must be vested with appropriate powers. Their main activity should not be to enable (additional) competition but rather to issue straightforward directives. As there are direct correlations between safety, technical equipment and worker protection, AK proposes that worker protection be more firmly anchored than before in the agencies, for instance as a horizontal working group.

Transport Policy Goal: Shift, Railway Packages

The assertion that jobs improved is as inaccurate as the claim that the main objectives set out in the strategic docu-

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ments had been achieved, regardless of what the Commission says (compare Point 6). The objective was to shift the streams of freight to environmentally friendlier modes of transport and to make the railways more competitive. Road freight transport continues to grow to a disproportionately large extent. Put simply: the liberalisation policy of the EU thus far has failed. Deregulated rail freight demonstrates that an opening up of the market does not “automatically” improve the overall rail system if no flanking measures are taken. Liberalization was carried out years ago in that sector and the EU has clearly failed to achieve its objective of boosting rail transport as a percentage of total transport. The opening of the rail market may have led to successes in marginal subareas and in individual point-to-point transport routes but the share of total transport has declined for rail transport at a faster pace since 1990 than for any other mode of transport. The EU is engaging in wishful thinking rather than stating a fact when it says the decline of rail transport has been stopped (compare Point 17). Road freight traffic is the only sector able to increase its shares of the total (currently about 75 %). The shares of all others are stagnating or declining slightly, i.e. railways (currently 13 %), pipelines (5 %) and inland navigation (7 %). The trends for market share of the individual modes of transport vary greatly in the individual Member States. For instance, the rail sector has a market share of over 30 % in Sweden and Austria, 8 % in Italy, 14 % in France and Germany and just under 2 % in Greece. The Commission has thus far not analyzed the reasons

for these large discrepancies among the Member States.

The blanket accusation levelled against railways was that they lacked flexibility and effectiveness. All railways were made to face competition regardless of their operating conditions.

Because of deregulated rail transport, small highly productive niches such as city-to-city rail connections and rail connections to harbours are coveted and hotly contested. Network services farther afield are monopolized while unproductive regional connections are left to public authorities to manage. Lines that are unprofitable from a business standpoint come under increasing pressure because their variable gross margins fall short of those from lines that are more profitable. Consequently, the public authorities have to take over lines (at a higher cost than right now) or lines have to be shut down even though they would be deemed efficient from a macroeconomic standpoint or the standpoint of environmental, social and transport policy. Rail transport is being taken largely out of the realm of politics, which will lose all latitude in shaping this sector.

Freight Transport Networks

The possibility of providing dedicated rail infrastructure for freight and for passenger transport proposed here (compare Point 67) or setting smart priority rules ignores the correlations in a network in terms of effects and discounts the specific requirements of passenger transport. AK firmly rejects

The AK believes the prioritisation of the modes of transport should continue to be left to the Member States because they are in a much better position to coordinate national and regional requirements in the rail and public transport network.

this suggestion. If rail freight were given priority across Europe in terms of route allocation and disruptions occurred, rail transport would become less attractive, as would the feeder services from and to the railway and thus the entire public transport network. AK believes the prioritisation of the modes of transport should therefore continue to be left to the Member States. The Member States are in a much better position to coordinate national and regional requirements in rail transport and the public transport network and to remedy a disorder quickly if one occurs.

Passenger Rights, Customer Satisfaction

Unfortunately, the Commission failed to draft a comprehensive approach to passenger rights. Commuters travelling with local and regional means of transport make up the biggest group of passengers. They were included either too little or not at all. Rules for delays in long distance transport do not suffice by any means for local transport because most regulations pertain exclusively to passengers in long distance transport.

A few provisions in the EU regulation apply to rail travellers, i.e. also to commuter routes in local transport. For instance, transport companies have to have sufficient insurance to cover an incident constituting a claim. Although the EU regulation is an important initial step for uniform EU-wide legal protection, the rights must be equal for all passengers. Commuters must not be allowed to be treated as second-class customers.

AK therefore demands that comprehensive and binding passenger rights for commuters in local and regional transport be anchored in the law. To ensure that this anchoring of passenger rights is not done at the expense of workers at transport enterprises, suitable initial and continuing training measures must be defined for personnel along with rules on sufficient staffing. In the proposed regulation on passenger rights in bus transport, delay rates are assumed. These rates, in turn, pose the problem that not all travellers in local transport enjoy legal rights. Moreover, rail passengers have the right to file compensation claims after 60 minutes of delay according to the regulation on passenger rights; the rules in bus transport should be no different. As people are free to select the mode of transport they wish and the same rights must apply for travellers no matter what form of transport they use, a mandatory reason exists for setting the same claims in the case of delay or cancellation based on the same duration of delay also for bus travellers.

The Commission's assertion in Point 13 that bus and rail transport are two of the areas with the lowest level of user satisfaction does not apply to Austria. The degree of satisfaction in these segments is 85% and beyond in non-deregulated and integrated systems and could serve as an example for Europe if the Commission were prepared to change its failed deregulation policy.

Aviation

The deregulation of aviation in Europe occurred during a period when the global aviation industry was struggling with problems. Instead of declining in recent years, these problems have seriously increased and had substantial impact on passenger figures. Personnel are being cut; route networks are being streamlined. Carriers in Europe and the US are struggling against growing losses. The much broader selection of special fares and the appearance of low-fare airlines did have positive impacts on competition for customers but AK feels it is important to note that negative effects definitely also occurred and continue to occur, a fact the Commission fails to mention. Airlines pass the cost pressures from deregulation primarily on to personnel, who are then threatened with cost-cutting measures and a loss of jobs. The ramifications on the labour market are highly unfavourable.

The AK does not agree with the Commission that urbanisation automatically means traffic congestion and environmental problems.

5. Transport Behaviour, Sustainability, Noise

The European Commission actually tackled transport behaviour and regional zoning requirements for the first time here. AK applauds the inclusion of both, but would like to see certain adjustments made in the line of argument applied.

The Commission assumes enterprises and citizens display rational price behaviour in selecting the mode of transport. All investigations on this subject confirm that the price of the mode of

transport is a significant factor but not the only one. Availability, reliability, frequency of service, travel time, distance from mode of transport, etc. are among the other aspects that come into play. Point 56 should be revised to this effect. The conclusion that the citizens and transport operators would choose "what is best for the economy" (compare Point 56) is simply not true. It is helpful to consider the "prisoner's dilemma" in this context.

It is certainly correct that transport is a key to accessing many products and services, as mentioned in Point 39. If you define mobility as the possibility of satisfying many needs at the lowest possible social and personal cost, then transport, i.e. the need to change places, is actually counterproductive. One approach would therefore be to pursue a specific sitting policy that allows needs to be well satisfied locally.

It is also true that urbanisation is a new factor incorporated in European politics. AK does not agree with the conclusion that urbanisation automatically means traffic congestion and environmental problems. Owing to their population density, urban regions are uniquely suited to supplying high quality public transport in a reasonable and economical way. AK refers again to Austria's experience with integrated public transport systems as an example. For instance, motorized individual transport in Vienna, for instance, accounts for just 33% of the total volume of traffic. Austria's non-regulated services can serve as models for Europe in this respect, too.

The AK agrees that the efficiency gained from cutting energy and reducing pollutants would be offset mostly by disproportionate growth in freight traffic.

The latitude for action at EU level in regional and transport planning is limited because of the power the EU Member States have under the subsidiarity principle. Nonetheless, the EU has a number of possibilities open to it regarding transport funding (e.g. see the remarks in Point 2 Financing) or regarding standards for noise and pollutants, also to intervene “actively” in regional transport policy.

The activity of the EU Commission should also include propagating best practice models in transport and environmental projects. AK cites, for example, the large share held by the environmentally friendly transport modes in numerous Austrian cities or the logistic project of the city of Vienna (RUMBA) for the construction sector, which greatly reduced air pollutants and truck traffic by environmentally friendly management methods for building sites RUMBA (<http://www.rumba-info.at>). Air pollutants and truck traffic are reduced greatly by the environmentally friendly management of buildings sites in Vienna.

Cost Transparency and fair prices

Tax or price-related approaches are the two basic ways of moving at EU level toward a sustained transport industry. AK advocates cost transparency in transport and allocation of costs specific to the given transport carriers. Attention should focus on freight transport by road because of the predominance and disproportionately higher growth rates of this mode of transport over the past decade. A revised Euro Vignette Directive, where pricing takes

in all external factors, is viewed as a key to this process.

In the consultation document, the Commission concluded that the efficiency gained from cutting energy and reducing pollutants (e.g. emission standards) would be offset mostly by disproportionate growth in freight traffic (compare Points 15-18). AK shares this view and demands appropriate steps be taken to counteract this trend.

Geographic and natural conditions in certain sensitive (mountain) regions are such (e.g. narrow valleys, impossibility of expanding infrastructure capacities) that these areas will have to consider non-discriminatory models to restrict the volume of freight transport (e.g. Alpine Transit Exchange). AK calls for the Commission to make proposals in this regard.

Noise

The Communication refers to basics such as those in the TERM 2008 issued by the EEA. They give a general idea of how huge the problems of noise pollution are in Member States. The obviously conflicting objectives are not addressed, however. Technical improvements in vehicles alone do not suffice to improve the noise situation. These improvements are merely “offset” by the increases in traffic volume. The Communication remains amazingly vague about setting objectives in this regard. For example Chapter 4.3 should not limit itself to sustainability (which is defined very hazily) (compare Point 49). It should also set concrete and evaluable objectives such as a

50% reduction in the number of people affected by traffic noise by the year 2015. The strategy should explicitly consider the already existing transport infrastructure and name corresponding objectives for technical rehabilitation measures to combat noise.

Chapters 5.1., 5.2 and 5.4 should expressly address noise-reduction measures for the existing rail/road/airport infrastructure as short and medium-term requirements in connection with maintenance. The EU Directive on Environmental Noise and its implementation are just a first step in this context and will have to be followed by further substantial actions at EU level. Noise-related use fees should be used primarily for rehab measures such as these. EU-wide noise standards to protect people near airports, as demanded at the vote on the EU Environmental Noise Directive, should be passed quickly so that airports cannot derive competitive advantages from the absence of these standards.

6. Coordination of Decision Makers

AK feels a degree of scepticism about the new EU initiatives based on its previous experience with EU programmes on urban environmental problems (especially thematic EU strategy on the urban environment). The EU Commission should therefore focus mainly on clarifying existing EU legislation or on applying them more flexibly.

AK sees a need for (regulatory) action particularly as regards the creation of "environmental zones" as part of com-

pliance with EU emission standards on fine particles (PM 10) and nitrogen dioxide (NO₂). The high output of emissions by motorized utility vehicles and off-road vehicles and machines already licensed for operation in the scope of application of Directive 97/68/EC force municipal decision-makers to prescribe retrofitting of particle filter or to impose driving or use bans within "environmental zones". Different directorates general in the EU Commission differ in their interpretation of the legal conformity of this measure, particularly the Directorate General for Enterprise and Industry and the Directorate General for the Environment. AK sees a need for action in this regard, either a certification system or an interpretation to provide greater legal certainty.

The AK sees a need for (regulatory) action particularly as regards the creation of "environmental zones" as part of compliance with EU emission standards on fine particles and nitrogen dioxide.



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