

Fact Sheet of the trade union vida and the Austrian Federal Chamber of Labour

Facts to Amendment of REGULATION (EC) NO 1370/2007

1. General comments

With this - by now fourth - Railway Package, the European Commission (EK) remains unperturbed in pursuing its liberalisation plans in respect of the railway sector. It is yet to provide evidence of its success. By presenting the 4th Railway Package, the European Commission has admitted that the previous liberalisation steps did not result in the promised strengthening of the rail sector.

The following two tables show that the modal split in the EU-27 over the last 15 years has been developing to the disadvantage of the rail; both in respect of freight transport (left) and of passenger transport (right)¹

MODAL SPLIT Freight transport

	%			
	ROAD	RAIL	INLAND WATERWAYS	PIPELINES
1995	67.4	20.2	6.4	6.0
1996	67.4	20.3	6.2	6.2
1997	67.3	20.4	6.4	5.9
1998	68.5	19.0	6.4	6.1
1999	69.8	18.2	6.1	5.9
2000	69.6	18.5	6.1	5.8
2001	70.5	17.5	6.0	6.0
2002	71.4	17.1	5.9	5.7
2003	71.6	17.3	5.4	5.7
2004	71.8	17.2	5.6	5.4
2005	72.3	16.6	5.6	5.5
2006	72.3	17.0	5.4	5.3
2007	72.6	17.0	5.5	4.9
2008	72.6	17.0	5.6	4.8
2009	73.5	15.7	5.6	5.2
2010	72.7	16.2	6.1	5.0

Notes: Road: national and international haulage by vehicles registered in the EU-27.

MODAL SPLIT Passenger transport

	%						
	PASSEN-GER CARS	P2W	BUS & COACH	RAILWAY	TRAM & METRO	AIR	SEA
1995	73.0	2.3	9.4	6.6	1.3	6.5	0.8
1996	73.1	2.3	9.3	6.5	1.3	6.8	0.8
1997	73.0	2.3	9.1	6.4	1.3	7.1	0.8
1998	73.1	2.3	9.1	6.2	1.3	7.3	0.8
1999	73.2	2.3	8.9	6.2	1.3	7.4	0.7
2000	73.2	1.9	8.8	6.3	1.3	7.8	0.7
2001	73.5	1.9	8.7	6.3	1.3	7.6	0.7
2002	74.0	1.9	8.6	6.1	1.3	7.4	0.7
2003	73.9	1.9	8.6	6.0	1.3	7.6	0.7
2004	73.6	1.9	8.5	6.0	1.3	8.0	0.7
2005	73.1	2.0	8.4	6.1	1.3	8.5	0.6
2006	73.0	1.9	8.2	6.2	1.3	8.7	0.6
2007	72.8	1.9	8.3	6.2	1.3	8.9	0.6
2008	72.8	1.9	8.3	6.4	1.4	8.7	0.6
2009	73.9	1.9	7.9	6.2	1.4	8.0	0.6
2010	73.7	1.9	7.9	6.3	1.4	8.2	0.6

Notes: Air and Sea: only domestic and intra-EU-27 transport; provisional estimates. P2W: Powered two-wheelers.

¹ From: EU Transport in Figures - Statistical Pocketbook 2012

Instead of engaging in some self-criticism and to question the policy adopted so far and to make competition **between** road and rail fairer, the Commission is backing intensified competition **on** the rail. This policy - verifiable by examples - is lacking well-founded arguments.

The draft of the 4th Railway Package reveals that several of the measures proposed are particularly problematic:

1. The redrafting of the PSO Regulation provides among other the mandatory tendering of publicly financed rail passenger transport. Authorities are losing their previous option to choose between awarding contracts directly and tendering; their political decision-making powers are being restricted. The proven cooperation between authorities or associations with railway companies can no longer be continued. Once tendering has become the only option, it will be the cheapest and not the best that will be the winner; the consequence would be social dumping at the expense of employees.
2. Apart from changes within the scope of the PSO Regulation, it is also planned to liberalise national passenger transport even where no tender procedures are taking place (Amendment of Directive 2012/34/EC). It is the aim that every concession holding railway undertaking may apply for routes and provide transport services anywhere anytime. The schedule for individual, particularly profitable connections will probably be extended at certain periods. However, this will be accompanied by the effect that the balance and the coordination between profit-making connections (long-distance/commuter trains at peak times) and the loss makers (regional and local transport at off-peak times) will become increasingly difficult. The consequence is reducing the number of trains at off-peak times and in the region or raising costs.
3. An even stricter separation of operation and infrastructure of integrated railway companies means that synergy effects cannot be used, which makes the overall rail system more expensive and less secure. As the European Commission has no intention of introducing thresholds, even the smallest railway companies shall be forced to strictly separate their business areas. The extra administrative effort does not bear any relation to a possible benefit.
4. The European regulation shall be harmonised. It is therefore planned to provide the EU, for example within the scope of the European Railway Agency (ERA), with far-reaching competences, which are currently held by the Member States. This shall take place in form of delegated legal acts. A harmonisation is generally to be welcomed. However, the present documentation does neither lay down minimum criteria for safety and quality of rail transport (providing authorities with appropriate tools, minimum intervals concerning vehicle inspections, requirements on the entire safety-relevant personnel, conditions for employees, number of minimum checks, taking specific particularities into account) nor does it define the aimed at safety standard.

The unchanged implementation of the 4th Railway Package will entail a number of negative consequences:

- The loss of synergies will further weaken the rail sector, which means that it will fall even further behind the road.
- Competition is mainly taking place on the expense of personnel costs and leads to social and quality dumping.
- Integrated regular service is even more difficult to implement.
- Governmental and thereby democratically controlled monopolies are replaced by private oligopolies.
- Economic costs will not be reduced - as it has been promised - but increase (tendering procedures and checks taking time and effort, the public sector coming to the rescue of insolvent operators, providing social security for employees of former operators).

2. Why does there have to be an Amendment of REGULATION (EC) NO 1370/2007 in the first place?

This Regulation was adopted in 2007, after ten (!) years of difficult discussions and searching for a compromise as well as three different Commission proposals and came into force in 2009. The transitional period will end in 2019 and the Regulation requires a mid-term report on its implementation and relevant experiences to be presented by the Member States in 2014. The current PSO Regulation represents a balanced compromise, which the Commission now plans to change. Suggesting unnecessary and unacceptable changes even before the deadline of the due mid-term reports and experience feedbacks by Member States on the railway sector, represents a disregard for the legislator.

Our position: no Amendment of PSO Regulation 1370/2007 EC
--

3. Different standards in case of internal operators

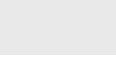
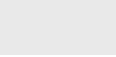
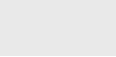
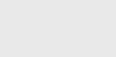
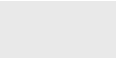
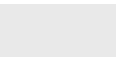
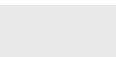
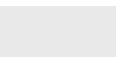
In its capacity as an “internal operator” and owner of the “Wiener Linien” [Vienna lines], the Federal State of Vienna is able to organise and operate local transport with underground, tram and bus services itself. The Federal States of Lower Austria, Salzburg and Styria have their own provincial railways. Due to the vague formulation Article 2 lit c it is not clear whether they are considered internal operators.

Art. 2 lit. c - Our position: clarification that Federal States and their provincial railways will also be considered internal operators.
--

4. Tendering procedures for highly complex Rail systems?

The so-called “Stammstrecke” [main line] of the Vienna Schnellbahn [rapid transit railway] between Floridsdorf and Meidling (14 km) crosses Vienna in north-south direction. At peak times, rapid transit trains, regional and long-distance trains travel on this double-track in intervals of 3 minutes (see diagram)².

² Timetable extract: www.oebb.at

Timetable:							
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:27 dep. 06:34 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:30 dep. 06:37 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:33 dep. 06:40 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:36 dep. 06:43 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:39 dep. 06:46 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:42 dep. 06:49 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:45 dep. 06:52 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:48 dep. 06:55 arr.	0:07	0		5 Tariff km
	Vienna Floridsdorf Vienna Praterstern	13.05.13	06:51 dep. 06:58 arr.	0:07	0		5 Tariff km

The commuter trains come from seven different route lots, whereby the Ministry for Transport (BMVIT) alone finances 21.46 million train-km. The overall volume of the ÖBB regional transport financed by the BMVIT lies at 58.37 train-km. Although frequently reaching the limit of their capacity, trains are amazingly punctual (level of punctuality of the Vienna Schnellbahn in 2012: 97.6 percent)³. The reason for this lies among other in the fact that transport is in the hands of one single operator - i.e. the Austrian Federal Railways (ÖBB).

In Switzerland too, the prime example for efficient and high-quality rail services with trains running at short intervals does not put its services out to tender, but awards contracts directly; with great success. At the public hearing of the EU Transport Committee on the Fourth Railway Package (7.5.2013) Erik van Eijndhoven (Nederlandse Spoorwegen) also pointed out that adopting tendering procedures would not be able to cope with the tight and networked timetable in the Netherlands.

Art. 2a 6 - Our position: here, the maximum scope of a public service contract with 10 million train-km resp. a third of the entire transport volume of public PSO Passenger rail transport of a Member State shall be restricted. Apart from the general rejection of the draft Proposal we are also strictly opposed to this restriction.

Art. 5(6) will be redrafted: the option exists to split the network: i.e. it also possible to put individual routes and not the entire network out to tender. We reject this idea of splitting the network. .

³ www.blog.oebb.at

5. Taking over personnel in the event of transfers of undertakings does not work without legal regulations - two examples from Austria

The last two years saw two examples in Austria, where the state-owned ÖBB assigned routes (infrastructure) and the railway operation associated with it to the Federal States resp. their provincial railways:

In 2005, floods caused extensive damage to the Pinzgau Railway (Zell/See - Krimml). Most of the services of this narrow-gauge railway were cancelled. In 2008, the State of Salzburg took over the Pinzgau Railway from the ÖBB and appointed the Salzburg Lokalbahn as the operator. By September 2010 the entire route until Krimml had been repaired and 10 km new track had been installed. The investments for the reconstruction, the repair/improvement of the line and other investments (Rolling stock) totalled almost 32.3 million Euros. The formal take-over bid did have no actual effect; almost all employees remained with the ÖBB.

In 2010, the State of Lower Austria took over from the ÖBB a total of 620 km rail track (including technical equipment, rolling stock and real estate). On most of these tracks there was already no passenger transport. The direct consequence was that on 102 km passenger transport was discontinued and on 91 km continued. This includes in particular the famous Mariazellerbahn (St. Pölten - Mariazell). 117 million Euros have been invested in this narrow-gauge railway (mainly by procuring new sets). Initially, rail operations were carried out by ÖBB employees, who are continuously replaced by new railway employees.

Both examples demonstrate: even if rail operations are transferred from the state-owned ÖBB to railways that are owned by Federal States, ÖBB railway employees have no guarantee that they will keep their original job. As soon as a sufficient number of new personnel are available they have to return to the ÖBB. Often the new jobs were on other railway lines and the workers were forced now to travel long distances from and to work. A problem, which confronts in particular single parents with insoluble problems and which is clearly contradicting the targets of the EU within the scope of employment. Due to the fact that the route in question is relatively small and the ÖBB Group still quite large, it had been possible to find new occupations/jobs. Once blanket tendering procedures have been introduced, this will hardly be the case. Hence, it is essential that the PSO Regulation 1370/2007 includes binding provisions in respect of employees, who are taken over.

Art 4 Paragraph 5 - Our position: this paragraph in the draft remains unchanged and contains an optional provision that it will be possible to oblige operators to grant those employees who had previously been recruited to provide the relevant services, the same rights they would have been entitled to if a transfer within the meaning of Directive 2001/23/EC had taken place. This optional provision must be changed into a mandatory provision. Once the new operator of public service has made a binding offer on taking employees over to current working conditions, each employee has the option of agreeing voluntarily.

Art. 4 Paragraph 8 - Our position: the draft shall regulate that the authorities responsible provide all interested parties with relevant information for preparing the offer within the scope of a competitive tender procedure (passenger rights, tariffs, etc.). However, from our point of view there is no information on personnel costs for those employees, who have to be provided with a binding offer in accordance with the Transfers of Undertakings Directive.

6. Obligation for tendering contradicts subsidiarity principle and does not improve passengers' satisfaction

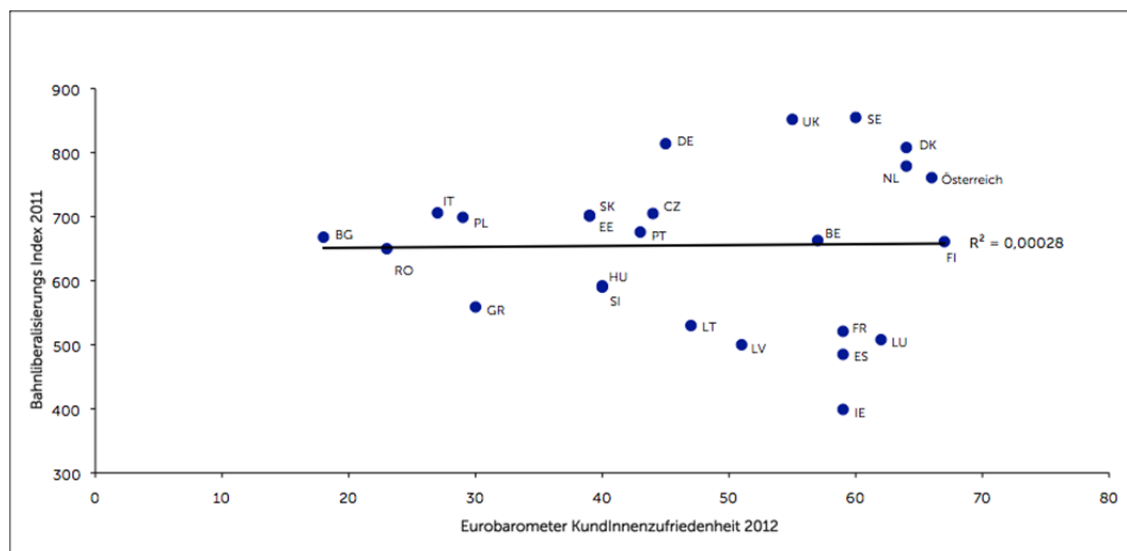
According to the subsidiarity principle, the Union only engages in areas, which fall not within its exclusive competence, if Member States fail to adequately implement the objectives of measures that had been considered necessary.

It is the general objective of the European Commission to improve the quality of rail passenger transport and to increase its operative efficiency. The aim of the obligatory competitive award of public service contracts is to intensify the competitive pressure on domestic railway markets in order to increase quantity and quality of passenger transport services.

However, the Eurobarometer survey 2011⁴ clearly shows that the level of satisfaction of rail users is completely independent of the degree of liberalisation of the respective country's rail system. Taking all criteria into account, Austria always ranks at least midfield or in the top third.

As a study of the Austria Traffic Club (VCÖ) carried out in 2011 shows, the Austrian population ranks in second place when it comes to using EU rail services. The market report of the regulatory authorities in the Member States from February 2013⁵ states that the annual distance travelled by rail by each Austrian citizen is the third highest in Europe, with Switzerland and France ranking in first and second place respectively. Hence, Austria's rail services prove to be very popular. There are no EU regulations needed to dramatically improve this service.

Apart from that, there is no connection between degrees of liberalisation and customer satisfaction.



Source: Kirchner 2011, EK 2011c; own calculation and diagram

⁴ Flash EB Series #326 Survey on passengers' satisfaction with rail services

⁵ Independent Regulators' Group - Rail, Annual Market Monitoring Report 2013

The clear European champion in matters of travelling by rail is Switzerland where no “unbundling” of the rail and no tendering procedures in rail passenger transport exists (see Table).

km per person	Switzerland	Austria
Rail	2470	1280
Bus	810	1150
Underground & Tram	220	480
Sum	3500	2910

Source: European Commission and VCÖ (2011)

Art. 5 Paragraph 3, 4 and 6 - Our position: we are strictly opposed to stripping national authorities of the currently possible freedom to choose between tendering competitions and awarding contracts directly.

The term “rail passenger transport services” used in the draft Proposal generally includes all track-related transport procedures; hence not only “heavy rail”, but also underground and tram services etc. Maintaining this terminology arouses the justified suspicion that this represents the preparation for mandatory tendering for municipal transport and internal operators.

7. Tendering - the cheapest takes it all

An analysis of the German NGO “mobifair” shows that in case of tendering procedures in German rail transport the price (“Preis des Angebotes”) accounts for 70 percent of the award criteria. Just 15 percent is allocated to quality, whereby only a fraction accounts for social standards - i.e. working conditions⁶.



Art. 4 Paragraph 6 - Our position: the compliance with social and other quality standards and laying down binding social and quality-oriented award criteria must be a binding condition for the Member States.

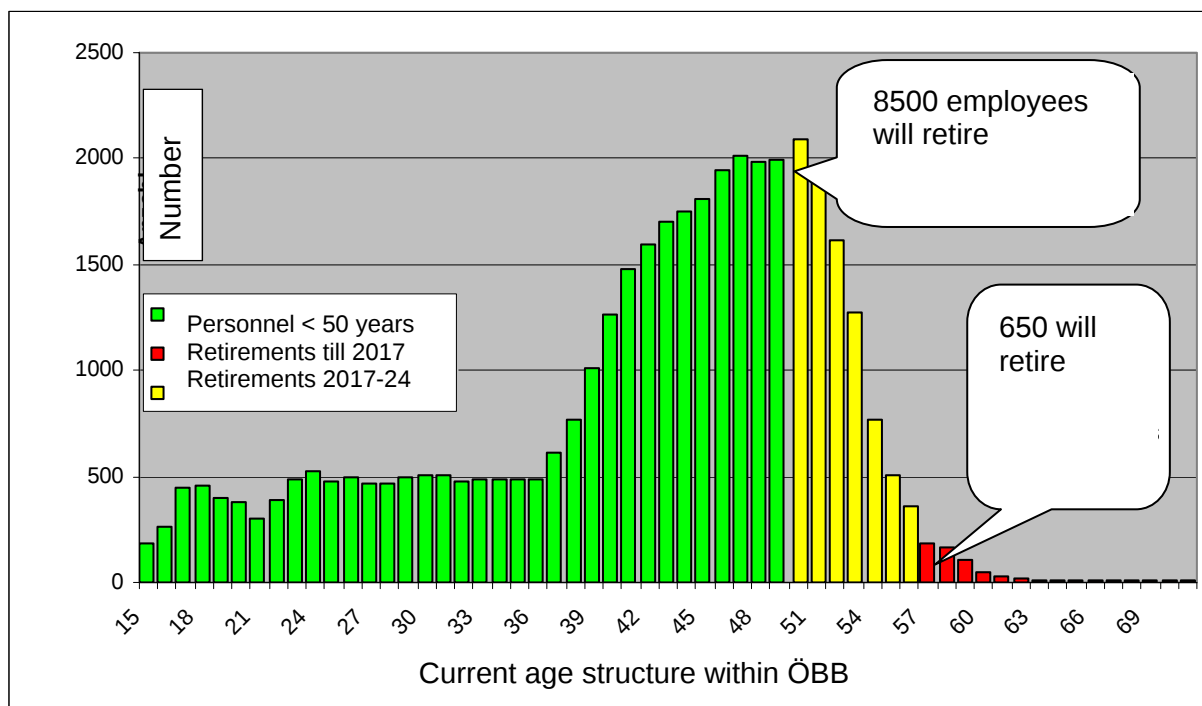
⁶ mobifair (2011): Abschlussbericht “Fairer Wettbewerb im Ausschreibungsverfahren”, Seite 3

8. Lowest-cost provider: why established railways don't have a chance

If one consequently implements the lowest-cost provider principle, established companies with their high personnel costs are unable to keep up with the competition. The existing cost structure consists of several factors:

- Older and experienced personnel in the higher salary bracket
- Payment in access of collective contracts
- Improvements based on works agreements

Hence, social achievements, which work councils and trade unions realized for railway employees, are becoming competitive disadvantages! The following diagram shows the age structure of employees working for Austrian Federal Railways (ÖBB).⁷



If the current provider loses out on tenders, his cost structure will further deteriorate as:

- Companies such as the Austrian Passenger Transports AG ÖBB (= ÖBB Personenverkehrs AG) but also most other Austrian railway operators employ a large number of tenured employees, who, based on the age structure, are more “expensive” railway employees than those recruited by new third companies. In case of overstaffing, it will be the young and “cheap” employees who lose their jobs first.
- Large railway companies cannot reduce their size arbitrarily. Their overheads for producing timetables, tariffs etc. would not change and hence become proportionately more expensive.

⁷ Own data and graphics

Art. 4 Paragraph 6 - Our position: we are strictly opposed to stripping national authorities of the current option to choose freely between competitive tendering and awarding contracts directly. Nevertheless the compliance with social and other quality standards and laying down binding social and quality-related award criteria for tendering procedures must be a binding condition to be fulfilled by the Member States.

9. Tendering procedures = Competition at the expense of Employees

The cost of rolling stock, rail toll and energy is roughly the same for all operators. Hence, competition is mainly taking place via personnel costs. That this is also the intention of the European Commission is shown by the following quote⁸:

For example, in Austria, the new entrant Westbahn indicated that for the same amount of subsidies provided by the Austrian government to the incumbent ÖBB in the line Salzburg-Graz it could operate 7 daily services instead of the 3 provided by ÖBB, whose staff costs are 20% higher than its competitors.

Wage dumping is exploitation and not an achievement! The current liberalisation steps result in:

- enormous staff reductions,
- new working time regimes: flexibilisation, shorter intervals and longer working hours, increasing work and stress levels, introduction of precarious and atypical forms of employment,
- Wage reductions: fewer pay rises, poorer or no collective agreements (for example in case of outsourcing) - wage reduction of up to 25 % for new workers, lower wages in case of outsourcing and new providers, cuts in benefits and rewards, tendencies towards wage dumping - establishment of low wage sectors looms, individualisation of employment: income uncertainty,
- Reduction of apprenticeships and further training.

In doing so the Directorate General (DG) for Mobility and Transport of the European Commission reduces the efforts of other Directorates General, in particular the DG for Employment, to absurdity, which tries

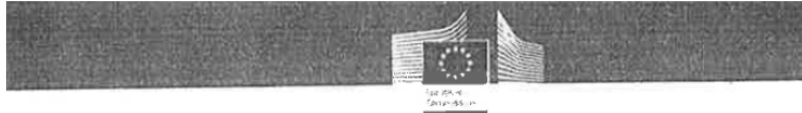
- to keep people in work for longer,
- to create qualitative jobs,
- to strengthen employability.

The "open access" provider Westbahn AG too pays its employees according to collective agreement; this is obligatory in Austria as tariff loyalty is a legal obligation. However, most

⁸ European Commission (30.1.2013): Memo 13/45- European Rail: Challenges Ahead

employees of Westbahn AG are paid in accordance with the collective agreement for leased employees (mainly according to the catering sector). Westbahn AG also does not train apprentices; in contrast, the ÖBB trains 1,800.

Quite revealing was also a presentation by Eddy Liegeois (Head of Unit, MOVE A5) from 7.5.2013, where he bluntly explained what the Commission means when it refers to “efficiency gains”: job losses! He put the expected loss of 20 percent into perspective by comparing it to forecast retirements of 30 percent:



Social dimension of the initiative

- **Evolution of the workforce in rail**

- Expected efficiency gains of market opening : up to 20 %
- Expected retirements in the next 10 years : 30 %

Art. 4 Paragraph 6 - Our position: we are strictly opposed to stripping national authorities of the current option to choose freely between competitive tendering and awarding contracts directly. Nevertheless the compliance with social and other quality standards and laying down binding social and quality-related award criteria for tendering procedures must be a binding condition to be fulfilled by the Member States.

10. Why limits for tendering procedures are far too low

The Upper Austrian railway company-Stern & Hafferl has been family-owned since its foundation.

Stern & Hafferl operates among other four regional rail lines. One of them is the 14 km long narrow-gauge route of the Attergaubahn. It connects the Westbahn route of ÖBB (Vöcklamarkt) with the Attersee. The Attergaubahn currently travels about 160,000 train-km p.a. and would therefore be above the threshold for awarding contracts directly.



On the one hand, the thresholds proposed by the European Commission are too low and too inconsistent on the other. With an additional payment of 5 million Euros for “public services” by the Federation, the ÖBB-Personenverkehrs-AG is able to cover ca. 600,000 kilometres.

Art. 5, Paragraph 4 Our position: we are strictly opposed to stripping national authorities of the current option to choose freely between competitive tendering and awarding contracts directly and therefore also rejects the far too low thresholds for awarding contracts directly (5 million Euros and 150,000 km respectively)

11. Why tendering procedures may be more expensive than awarding contracts directly

A key argument of the European Commission for obligatory tendering is a savings potential of 20 to 30 percent. These figures are neither credible nor comprehensible; in particular if one compares the savings with economic costs. These are:

Savings versus additional costs for the public sector		
 Savings of 20 to 30 percent suggested by the Commission in based on tenders		Unemployment benefits or early retirement for staff of previous operators
		Overcapacities and higher overheads for state-owned railways
		Extra personnel to be recruited by tender agencies (preparation of tendering procedures and timetables, legal consultation, evaluation of bids, control of the service)
		Loss of spending power and lower tax revenue by falling wage levels of railway employees (= social dumping)
		Rolling stock (takeover risk)
		Costs incurred by operators for tendering procedures (will be shifted to the public)
		Rising costs due to Oligopolization of the market
		Profits for private operators (publically owned railway are satisfied with a black Zero)

However, accompanying publications of the European Commission show that any savings potential is related to labour costs, which in the end results and wage dumping and people losing their jobs, which contradicts the objectives of the union within the scope of employment.

The following table shows by example of an input-output analysis that in Austria even a wage cut (= "Lohnreduktion") by 5 % in rail passenger transport would result in the gross value added (= "Bruttowertschöpfung") falling by 29 million Euros and 490 jobs being put at risk⁹:

	5% Lohnreduktion	10% Lohnreduktion	20% Lohnreduktion
Δ-Bruttowertschöpfung	- 29 Mio Euro	- 37 Mio Euro	- 52 Mio Euro
gefährdete Arbeitsplätze	490	610	870

Quelle: Schätzung anhand der Input-Output-Analyse.

⁹ Streissler Wirtschaftspolitische Projektberatung (2013): Volkswirtschaftliche Effekte der Liberalisierung des Eisenbahn-Personenverkehrs, Seite 41.

Our position: we are strictly opposed to stripping national authorities of the current option to choose freely between competitive tendering and awarding contracts directly.

12. Rolling stock more important than people?

In order to solve the dilemma between the lifetime of rolling stock and the term of tendering procedures, which the European Commission itself has caused, tendering authorities shall, in accordance with Article 5a, bear the residual value risk of the vehicles. One has to ask the question whether there are any corporate risks left for operators to bear.

In fact, the Member States are required to guarantee operators, who want to provide public rail passenger transport services within the framework of a public service contract, effective and discrimination free access to suitable rolling stock. In this context it is of great concern that the provisions in respect of rolling stock are very detailed, which the regulations concerning personnel remain vague. Whilst provisions concerning rolling stock in case of change of operator are obligatory, those concerning personnel are merely optional. The European Commission is obviously more concerned about railway vehicles than about railway employees.

However: if in case of a change of operator both rolling stock and personnel would be taken over, one has to ask the question, whether tendering has brought any changes at all: in this case, changes would be limited to management and the company name.

Art. 5a: Our position: we reject the notion that the public sector bears the residual value risk of rolling stocks for the following reasons: (1) corporate risks have to be borne by corporations. (2) In times of budget savings this would be an unnecessary additional burden. (3) As it is not clear who has the responsibility for servicing and maintenance, States and municipalities would be overstretched to monitor it. (4) Furthermore, the obligatory access to rolling stock represents a questionable intervention under constitutional law in existing property rights of transport companies.

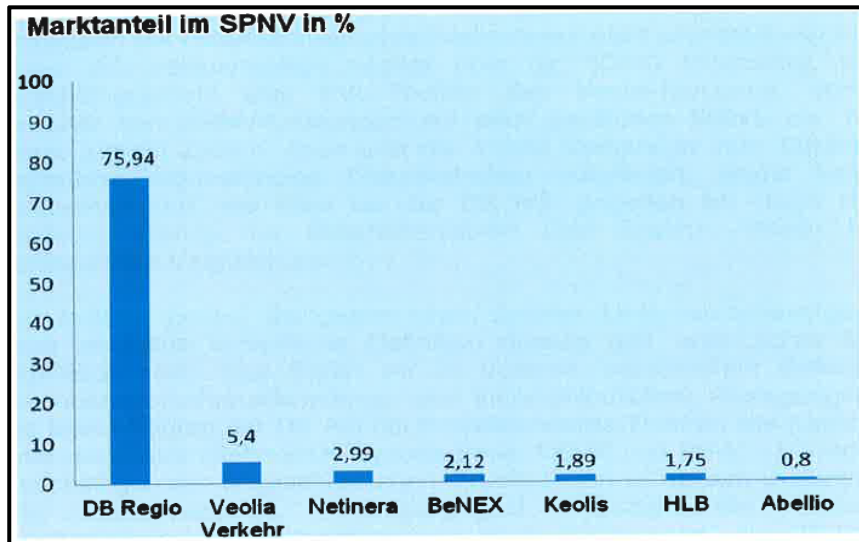
13. Tendering procedures lead to the establishment of oligopolies

Tendering procedures will neither enhance the freedom of choice of authorities nor of passengers. Sooner or later, small and medium-sized enterprises will also join the ranks of the losers. It is already foreseeable that oligopolies will be established, which will have enormous negotiation powers in dealing with authorities, passengers and employees.

Whilst the European Commission is set on breaking the monopoly of state-owned railways, it creates the conditions for oligopolies, which consist of several state-owned railways. In future, affiliated companies (low-cost carriers) of two or three major state-owned companies (e.g. DB, SNCF) will win the majority of tenders and dictate prices for a long time to come. (See graphic with market shares in Germany)¹⁰.

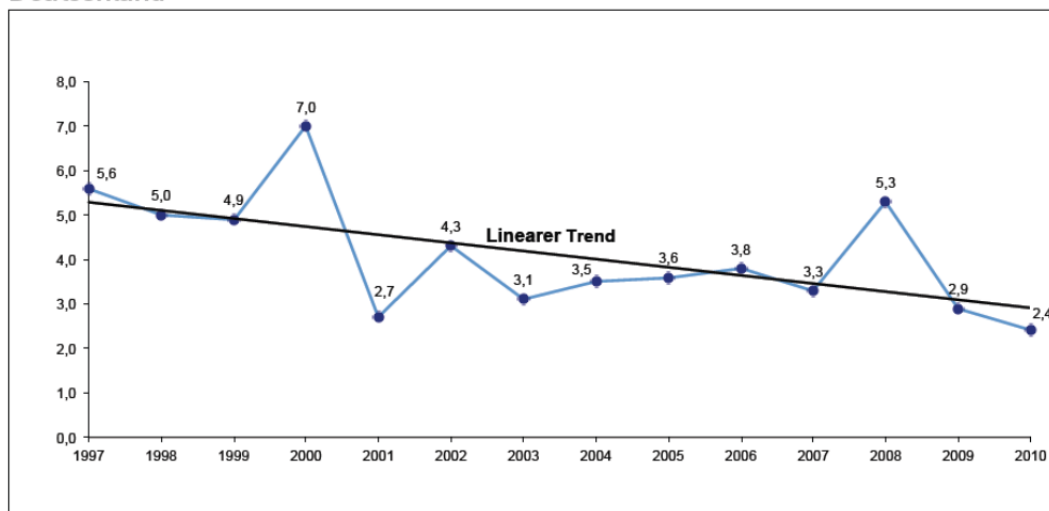
¹⁰ mobifair (2011): Final Report "Fairer Competition in Tendering procedures", Page 6

State-owned railways with less filled “war chests” will disappear from the market. This will lead to significant social hardships for (previous) employees. States have to suffer large economic losses; their decision-making options with regard to transport policy will be further curtailed. Such a development is also worrying in democratic terms.



This diagram shows the falling number of applicants in respect of tendering procedures in Germany¹¹

Abbildung 3: Entwicklung der durchschnittlichen Anzahl der Bieterinnen in Deutschland



Quelle: Kummer et al, 2013, Seite 160; Eigene Darstellung.

¹¹ Streissler Wirtschaftspolitische Projektberatung (2013): Volkswirtschaftliche Effekte der Liberalisierung des Eisenbahn-Personenverkehrs, Seite 28.

14. Retrospective legislation?

The current PSO Regulation permits the direct award of contracts in public transport up to a term of 15 years. The intention to cancel this retrospectively appears rather questionable in legal terms.

Art. 8 Paragraph 2a - Our position: Paragraph 2a states that service contracts, which were directly awarded from 1 January 2013, may not be in place beyond 2022. The fact that this draft Proposal has not yet come into effect means that the Commission tries to limit directly awarded contracts to a period of ten years and under. This is rejected by vida and BAK.

15. On vida and on the Austrian Federal Chamber of Labour

The Austrian Trade union vida represents the interests of more than 150.000 employees working in transport and service occupations. 80 % of employees in the railway sector are members of vida.

The Austrian Federal Chamber of Labour (= BAK) is the legal representation of interest for about 3.2 million employees and consumers in Austria. It represents its members in all social, educational, economical and consumer policy matters both at national and Brussels EU level. Apart from that, the BAK is part of the Austrian social partnership.

Should you have any questions, please do not hesitate to contact

- Heinz Högelsberger of the trade union vida (email: heinz.hoegelsberger@vida.at, phone no. +43 1 53444 79203),
- Gregor Lahounik of the Austrian Federal Chamber of Labour (email: gregor.lahounik@akwien.at, phone no. +43 1 501 65 2386) and
- Frank Ey at the Brussels Office of the Austrian Federal Chamber of Labour (email: frank.ey@akeuropa.eu, phone no. +32 2 230 62 54).