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**Submission of TUAC to the UNEP Industry Sector Reports:  
Transport**

**CAVEAT**

The following report is based on information obtainable by the author during the course of research and writing. Attempts have been made to obtain input from appropriate labour groups. However, it is important to note that there may be relevant policy documents and points of view not represented here. This document is subject to change as additional input may be forthcoming. Please ensure that you are reading the most recent version. Therefore this report should be considered an introduction to trade union thinking on these issues rather than a final or complete position.

**INTRODUCTION**

The Trade Union Advisory Committee (TUAC) to the Organisation for Economic Cooperation and Development (OECD) along with the International Confederation of Free Trade Unions (ICFTU) welcome this opportunity to provide our response to the Industry Sector Reports being prepared by international industry associations under the auspices of the United Nations Environment Program (UNEP); Division of Technology, Industry, and Economics.

When seeking information on the sustainability of any industry, it is important to remember that the input from industry management and industry associations is only one-half of the story - the owners' part. Workers, through the unions which represent them, are able to complete the picture.

Business hopes to ensure that its positive contributions to sustainability are appropriately recognized. Trade unions, as part of both "industry" and civil society, acknowledge that in many cases, industries and sectors have made important progress in the areas of technology development and technology transfer, environmental management systems and tools, and voluntary initiatives.

However, there are many unfulfilled past promises, and complex future challenges for industry. These are neither uniform between industry sectors, between nations, nor even within single nations and industry sectors.

**LABOUR'S VIEW OF SUSTAINABLE DEVELOPMENT**

The simplest definition of sustainable development states that we must meet the "needs" of today's generation without sacrificing the ability of future generations to meet their needs. This simple definition becomes more complex upon examination of the word "needs". "Needs" does not just mean environmental or economic concerns, which is a common misinterpretation, but includes environmental, economic, and social concerns.

The concept of "sustainable development" has proven to be difficult for many people to fully understand. Perhaps that is because it requires integrative rather than compartmentalized thinking, and is not well adapted to explanation in five-second media "sound bites". Environmental, economic and social concerns must be addressed simultaneously. Very simply: if we fail to protect the environment we will have no jobs, no communities, and no future; but if we attempt to impose environmental solutions that ignore economic and social realities, we will face disaster of a different sort. Practitioners of the scientific

professions, for example, need to occasionally put aside their technical and scientific training and reflect upon the broader consequences of what they do.

The first objective along the path towards sustainability will be to integrate consideration of all environmental, economic, and social impacts into all of society's decisions; whether these take place within governments, corporate boardrooms, or other institutions of civil society. Reaching this objective will in turn require a review of decision-making processes (particularly the application of consensus-building as a decision-making tool in settings that previously have neither acknowledged consensus-building as a need nor an opportunity). It may even require a complete reconstruction of many existing institutions, structures, and decision making methods – some of which are quite resistant to change. Finally, the integration of environmental, economic, and social thought into those decision-making processes will necessitate the utilization of human knowledge from the widest possible range of sources and across the widest possible range of disciplines.

Environmental, social, and economic concerns are frequently described as "the three pillars of sustainability". While this is a useful analogy in the sense of acknowledging the requirement for each to ensure the stability of the whole, it is also problematic. Pillars are very solid and distinct objects. Perhaps a better image for a discussion of how to integrate these needs is that of three puddles of paint on a plate, slightly stirred. The interfaces (social-economic, social-environmental, environmental-economic) are blurred and indistinct, and there is great difficulty in separating one from the other. Not only that, but within each component exists a myriad of subsidiary interfaces.

Environmental non-governmental organizations (ENGOs) and business have significant expertise and are powerful advocates for the environmental and economic components of sustainability, respectively. Unions, too, have a particular expertise regarding the environment and the economy that differs from that of ENGOs and business. However, the social component of sustainability is the component that unions feel has been rather neglected in the debate; and coincidentally is the area in which we are most uniquely qualified. It falls therefore upon labour to speak up for social needs - as it has so often in the past.

As a minimum, trade unions believe that we can start addressing the social component of sustainability by promoting or developing, and fully implementing:

- the International Labour Organization (ILO) Core Labour Standards;
- the United Nations Universal Declaration of Human Rights;
- "Just Transition" programs (see explanation in following paragraph);
- The United Nations Secretary-General's "Global Compact" Initiative;
- Industry Voluntary Initiatives and Agreements

Of these five, "Just Transition" programs occupy a unique position within labour's view of sustainable development. Briefly, a "Just Transition" program ensures that the costs and benefits of moving towards a more sustainable future are shared fairly; and especially, that the workers, families and communities who rely on industries or activities dubbed "unsustainable" by society are protected during the transition to more sustainable activities. First and foremost, "Just Transition" programs are a necessary prerequisite to making any substantial progress on environmental issues. Secondly, the existence and quality of "Just Transition" programs are indicators of social sustainability.

Fairly standard and well accepted indicators of economic performance exist. Environmental indicators of various sorts have been proposed and there is an emerging consensus on at least the broader categories of what they are. Clearly, however, social indicators have been the poor relation in policy analysis.

Industry, broadly, has made progress in recognizing some of the environmental imperatives of sustainable development and integrating them into its economic decision-making. Labour applauds this progress and encourages its continuation but notes that the recognition and integration of social needs into corporate decision making has made far less progress.

Every industrial sector has its own particular challenges and concerns, with considerable variation between and within regions and sectors. Sustainability for any sector can only be achieved when each of those challenges and concerns is dealt with in a consensus-seeking, integrative fashion that attempts to balance the environmental, economic, and social imperatives of sustainability.

## TRANSPORT

Transportation, like many other industries, is becoming global. As trade unions stated at the 2001 annual meeting of the U.N. Commission on Sustainable Development, the globalization of transportation industries requires global partnerships to achieve the goal of a sustainable transportation system.

Environmentally sustainable transport systems would be those that are able to move people and goods using environmentally friendly technologies that do not disrupt ecosystems; minimize the use of non-renewable resources; conserve energy; and produce minimal pollution - in all its forms including noise, heat, and waste.

Socially sustainable transport systems would: ensure fair and equitable access to transportation for all citizens and facilitate a healthy level of social mobility; respect the rights of transportation workers and provide them with decent working conditions; enable trade without promoting needless consumption; and support the development of healthy communities, cultures and societies.

A lack of attention to worker health and safety concerns in the transportation field is certainly not sustainable. More attention must be given, for example, to the 250,000 fatalities which occur annually in transport-related activities, as well as to the severe fatigue and stress, violence, musculoskeletal disorders, and repetitive work injuries that are increasing dramatically with the introduction of new technology and processes. The International Transportation Federation (ITF) has worked with its national affiliates and with the ICAO and IMO to draw attention to the link between public (operational) safety and sustainable development, and the importance of 'human factors'. Fragmentation of the industry, for example, breaks the 'safety chain' as direct responsibility of operators is replaced by a web of legal/contractual relationships. The trade union strategy is to place emphasis on professional standards for employees, and to ask for state-regulated training standards through professional licensing, especially those in the safety chain.

Two urgent, international, occupational health and safety problems must be mentioned in particular.

The first is the continuing scandal of conditions in the ship-breaking industry. Nowhere is effect of a 'race to the bottom' more evident than in the ship-breaking business, in which workers toil in withering heat with little protection and few rights to scrap hundreds of ships every year for their scrap metal. Any health and safety legislation that exists is typically ignored completely. Equipment (cranes, lifting gear, pulleys, ropes and chains) is not tested, steel plates are cut without eye protection, protective clothing, gloves or boots, and steel is carried without attention to load limits. Workers are exposed to hazardous and explosive substances, asbestos, PCB's, lead, mercury, chromates, organic compounds, chemicals, as well as radiation and a whole range of physical hazards that take a terrible human toll and create an environmental nightmare. They often walk barefoot on beaches that are strewn with chemicals, toxins and splinters of steel, and others die or are injured by falling steel plates or equipment. Accidents are not reported or recorded, and workers who are injured or diseased typically lose their jobs.

The second is the HIV/AIDS epidemic, which is closely linked to patterns of development and transport in some areas of the world, particularly parts of Africa. Because of the wide-spread use of migrant workers housed in isolated single-sex "work camps", it must be understood that a social environment is created that facilitates the spread of this disease. Required to make frequent long journeys to keep transportation links open to these remote areas, transport workers are both part of the problem and victims of it.

Based on environmental and social goals, and of course economic realities, good decision making about transportation modes (air, water, land) and systems can take place. Too often, the only consideration in decision making is maximizing profit. This has led to the current situation, in which patterns of production and consumption requiring low unit costs of transport have become the norm. Quite simply, a great deal of current transportation activity (especially in developed countries) is neither environmentally nor socially sustainable.

Artificially cheap transport has provided new benefits and freedoms for consumers, but these have come at a heavy price in terms of occupational health and safety for transport workers, pollution, energy consumption and reduction in the quality of urban life. It has imposed an enormous cost in the exploitation of labour. Cheap transport is a key to global economic development, but today, it is also one of the biggest threats to the planet's environment.

The demand for cheap transport has created a "race to the bottom" mentality exemplified by flags of convenience in shipping, and the continuing pressure to deregulate the air travel industry. In the transportation world, the flag of convenience system is an example of a de-regulated system - not because regulations have been removed but because, (despite the existence of an International Maritime Organization) for the most part, they never existed. Governments like Liberia, Cyprus, Panama and others flagrantly abuse their responsibilities by offering themselves as countries of registration, purely as a means of making money. 'Flags of Convenience' (FOC's) which evade safety, social and environmental regulation, now account for a major portion of the sea transport industry, about 51% of total tonnage. An independent International Commission on Shipping published *Ships, Slaves and Competition*, a damning indictment of the industry in 2001, and the UN Commission on Sustainable Development (CSD1999) itself noted the danger to social and environmental conditions posed by FOC's. When a ship that is built in Spain, owned by a Norwegian, registered in Cyprus, managed from Glasgow, chartered by the French, crewed by the Russians, operated under a Liberian flag, and carrying an American cargo,

pours vast amounts of oil onto the Welsh coast, who takes the blame ? This was the question raised by the "Independent" newspaper reporting on the catastrophic oil pollution caused by the grounding of the Sea Empress in 1996 (22 February 1996).

Transportation is a key element of the greenhouse gas problem. Private automobiles, and all major commercial transportation modes in current use, depend upon fossil fuels. Some manufacturers have already begun designing engines that are able to utilize alternative sources of fuel. Electrical storage batteries, fuel cells, and hydrogen, and are the three most frequently cited examples of alternative, portable sources of energy for transportation. Automobiles are significant contributors to greenhouse gas emissions, especially in developed nations. The average car emits nearly 60 tons of carbon dioxide over its lifetime. However, despite recognition of this problem, the use of heavy, fuel-inefficient "sport utility vehicles" has become a status symbol. These new vehicles have lowered average fuel efficiency for new cars in 2000 by 13% compared to a decade ago, in North America.

Nevertheless, creating a sustainable global transport system will be much more complex than simply fitting cars and trucks with new types of engines. For example, there is no feasible alternative to fossil fuels for aircraft, at present; and the social problems created by ever-increasing numbers of private automobiles will not be solved, even if their environmental harm is minimized.

In spite of wide spread recognition of the need to reduce automobile emissions, public transit systems continue to be seriously under-funded and urban planning pays only lip service to the need to design communities that are less dependent upon private automobiles. Even conservative and anti-regulatory circles have acknowledged, for instance, that the UK simply cannot cope with a projected doubling of the number of private vehicles on the roads over the next two decades. Rail transportation is highly developed in Europe, and can become much more so elsewhere in the world. However, even in Europe, it has been shown that there is a risk that an excellent component of social infrastructure will be sacrificed to a particular kind of free-market ideology. This trend has been driven by new intermodal transport logistics companies who are dictating development of ports, with huge container stacking areas, deep water berths, and dredging operations. Accordingly, rail networks are reorienting themselves away from national public service to regional freight networks connecting these ports to continental markets. Both port development and rail liberalisation are being driven by international and regional competition for the business of container shipping, corresponding to the logistics needs of today's huge transnational corporations.

The airline industry, too, has warned that ever-increasing air traffic will lead, at some point, to many more fatal accidents. However, recent terrorist events have shown how vulnerable this industry is to the public mood. Experts have long known that short-haul air transport can be wasteful and inefficient; but with lengthy security measures to go through before boarding the aircraft, the travelling public now knows this, as well.

Historically, transport was recognized as an activity requiring state control; for example, laws banning foreign ownership of services such as ports, airports and airlines were considered vital to strategic national interests. Today, the ideology of corporate globalism has eroded national control. The transportation industry, like many others, has been subjected to ruthless and ideologically-driven

privatization and deregulation in recent years. Many of these schemes have become disasters, creating the very opposite of a sustainable transportation system for the public, and in particular destroying the lives of many, many workers, families and communities in the process.

The privatized and deregulated market model for essential public services is now thoroughly discredited. With the examples of the British livestock and rail industries; the California electric utilities; and the collapse of energy giant and deregulation evangelist Enron, no rational observer can reach any conclusion but that such experiments have been utter disasters.

If there have been any winners, they are the global transportation companies and multinational manufacturing corporations, with their complex logistical requirements, demands for "just in time" delivery, and so on. "Just in time" delivery systems effectively impose an enterprise's warehousing costs on the public, since the stock is now "warehoused" in trucks on public highways. It likewise imposes a heavy toll on transportation workers' health and safety, not to mention the effects of traffic and noise on communities. Quite simply, it is a socially unsustainable practice.

In order for economic stability to be restored and for the environmental and social dimensions of sustainability to receive their due attention, appropriate regulatory structures at the international, national, regional and local levels are essential. Designing them will require a new approach: partnership.

Trade unions propose a partnership approach between public sector institutions, industry, trade unions, and ENGOs. It must be emphasized here, once again, that social sustainability demands that transportation companies and planners respect the human dimension. This can only be achieved through genuine forms of participation and consensus decision-making. Decision making at every level can benefit; from the government to the boardroom to the shop floor; to facilitate transport planning which involve users, operators, government (at various levels), and workers.

As an example, environmental campaigners, local government councillors, community organisations and trade unions from the port cities of Antwerp, Bremen, Hamburg and Rotterdam worked together to influence political decision-makers on the planning of port development and its impact on the local environment, communities and employment.

Local authorities are well positioned in the energy/transportation nexus to strengthen decision-making for sustainable development. They already provide a wide range of services in a highly-efficient and responsive manner, and a long tradition of union-management cooperation. They must do more to involve community groups, trade unions, employers and environmental NGO's in local process that feeds into national and international reporting and decision-making.

However, it is at the international level that regulatory action is also urgently needed. Capacity to regulate the international maritime industry, for example, has been undermined by flags of convenience and trade agreements. It is time to put some structure back in place, if we are serious about building a sustainable future in transportation.

Partnerships are the most effective way to change behaviour because they combine the elements of participation and education. At the very local level, commute-to-work transportation decisions made in workplace partnerships, would almost certainly lead to much higher average vehicle occupancy rates, for example. At the international level, the knowledge and expertise of trade unions is essential for good decision making on the issues of flags of convenience or ship breaking.

Whatever decisions society makes, the required changes amount to a transformation of the world's transport systems. Social sustainability demands that this transformation take place following a "Just Transition" model. A "Just Transition", as a minimum, will ensure the continuation of work, income and benefits whether or not with the same employer and whether or not in a related sector of the economy.

When workers are protected, so are the families and communities that depend upon them. This lowers the barriers to change; but only if workers and the trade unions that represent them are full participants in the decision making process.

### Conclusion

If we truly believe in sustainability, our needs are clear. We can choose to live with ever-increasing pollution, waste, public ill-health, traffic congestion and accidents in more and more countries around the world; or we can begin now to plan for sustainable transportation systems.

The principle that the polluter should bear the cost of pollution must be applied to transport industries, and form the basis for shifts in public policy that favour energy-efficient forms of transportation. . private investment is primarily concerned with the supply chain needs of world trade as determined by global corporations. This is having drastic effects on local transportation systems, as the needs of global supply chains frequently comes into direct conflict with the goals of regional and local planners, who are concerned with the local needs and effects.

Producer responsibility must be extended to include end-of-life for ships, trains, trucks, cars and planes. Not only does transportation contribute significantly to total solid and hazardous waste, especially in industrialised countries; increasing amounts of municipal and hazardous wastes increase the demand for transport to recycling, treatment facilities, land fills, incineration plants, and other treatment facilities.

Trade unions have shown that they are in a good position to play a central role in these efforts, especially through eco-audit and eco-label schemes, and consensus decision making in general.

Sustainable transportation systems are possible. The question is whether we have the will to make them happen. But change will inevitably come, whether through planning and sustainable decision making now, or in response to a future environmental crisis. Trade unions are ready to dialogue and participate in good decision making, today, to build sustainable transportation systems for the future.