

Research for TRAN Committee – Trends, challenges and opportunities in the EU transport labour market



This study examines the main trends, challenges and opportunities in the EU transport labour market, focusing on the transport modes of road, automotive, rail, maritime, inland waterways and air transport. It is based on a review of relevant literature and statistics as well as 18 interviews with stakeholders, carried out between July and October 2023.

Trends and challenges

- Economic and labour market trends, such as the evolution of new forms of mobility have resulted in transport activities over the past decades experiencing **employment growth across all modes**. Employment in transport is also expected to increase in the future.
- Demographic factors such as the relatively **higher average age** of workers in the sector, **increasing demand for labour** and **lack of attractiveness of jobs** for younger people and women, mean that transport companies across all modes have started to recruit workers from other EU countries. Recruitment has increasingly also **targeted third country nationals**, often with the support of labour intermediaries or agencies.
- This development has also been triggered by **increased competition based on costs** and in particular labour costs. This is particularly the case in international road freight and coach transport, civil aviation and international rail freight transport.
- This increased labour cost-related competition has further worsened the image of transport sectors and the attractiveness of working conditions. It has also had a **detrimental effect on regulation and improvement of working conditions through social dialogue** at EU and national level and collective bargaining.

The present document is the executive summary of the study on Research for TRAN Committee – Trends, challenges and opportunities in the EU transport labour market. The full study, which is available in English can be downloaded at: <https://bit.ly/3leYeXI>

- **COVID-19 and the Russian war of aggression against Ukraine** have had a significant impact across the entire transport sector. Labour shortages have now worsened in many transport modes after the pandemic and modes such as rail have suffered from higher electricity prices as a result of the war.
- The impact of **digitalisation and automation** is likely to increase during the next 10-15 years as disruptive technologies and processes such as automatic operation and artificial intelligence mature. Digitalisation and automation also have a **significant impact on skills needs and occupational profiles** in transport.
- **Decarbonisation and expected changes in the share of different transport modes** will have a significant impact not only on future workforce requirements, but also on company investment in fleets and infrastructure.

Current and future opportunities

- Decarbonisation and the anticipation of a reduced market share of **road freight transport** provide opportunities to correct market failures and enhance the image and attractiveness of this transport mode by improving pay and working conditions.
- Strong current trends in **urban mobility** and interconnected mobility services bring many new business and employment opportunities. If a strong and pro-active public policy framework is in place, the transport sector could become a strong backbone of smart, sustainable and just mobility.
- The future of **rail transport** is aligned with the EU's policy strategy and future innovations are expected to drive further growth in the rail sector. Digitalisation and interoperability of technical standards will need a skilled workforce, requiring modern training facilities and attractive working conditions. The railway sector benefits from a strong social dialogue and collective bargaining at both national and European levels.
- The **maritime sector** is undergoing significant transformation, with new greening technologies applied to ships and automation increasingly applied in terminals. The need for transversal skills is growing, but automation and digitalisation will make the profile of maritime worker more appealing and provide opportunities for gender diversity.
- **Inland waterway transport** has potential to enhance multimodal transport and improve environmental performance. However, ensuring sustainable growth requires an adequately trained workforce. The deployment of automated vessels and digital navigation tools can address labour shortages, but stakeholders hold different opinions on the future of automation.
- The **aviation industry** is evolving and its modernisation is key to meeting environmental targets. Future workers will need skills in information technology, data management, cybersecurity, and communication to adapt to new business and operating models. Predictive algorithms will be important for complex systems management, including interactions with lower air space, and maintenance of very high safety levels. Emerging services, such as electric Vertical Take-Off and Landing (eVTOLs) aircrafts and drones, will create employment opportunities.

Best practices

- **Identification of future skills needs** is most prominent among good practice measures addressing major trends and challenges. This focus is closely related to business needs and the need to maintain workforce employability. Accordingly, most transport sectors have created large sectoral Blueprint consortia on the development of future skills needs as co-funded by the Erasmus+ programme.
- **Most good practices at European, national and sector level have been developed in transport modes that are characterised by stronger social dialogue and collective bargaining at sector level.** The agreement of the railway social partners on the promotion of more female workers and the binding agreement to establish company-level diversity and gender promotion policies in 2021 is an example of the **concrete added value of European-level social dialogue.**
- **Increasing the attractiveness of transport jobs and addressing the severe labour shortage of drivers** as well as other occupations so far has only been addressed by company or business-led practices that mainly aim to improve the image of the sector.

Cross-cutting policy recommendations

- Policymakers should look for ways of encouraging and strengthening the prioritisation of **quality in terms of working conditions and working environment.** This could take the form of engaging with the social partners.
- **More ambitious approaches on skills and qualifications** should be developed, in the light of the influence of automation and digitalisation.
- Policymakers should consider putting into place **a framework that encourages active support for job seekers,** with a particular focus on vulnerable groups.
- Given the similarity of the challenges faced by the different transport modes and the trend towards connected mobility, **more intersectoral coordination, exchange and cooperation between sectoral social dialogues in the different transport modes** would be useful. There should be greater **regulation of the employment practices of emerging mobility and logistics services and platforms.**
- The EU should ensure **more effective implementation of existing social rules** and there should be **better regulation of atypical forms of work.** Policymakers should **consider the creation of a chamber system in transport** to find more common ground and joint working between business and worker representative organisations.

Specific recommendations for transport modes

Road transport

- Measures need to be taken to stop exploitative labour practices in the sector, which affect in particular workers from Eastern European and third countries. Steps also need to be taken to improve the attractiveness of the sector to the younger generation and to women: in the case of bus and coach driver jobs, the labour shortage is now urgent.

- Policymakers at EU and national level should consider tightening the labour regulation of the sector to improve working conditions.

Rail transport

- Policymakers and stakeholders at EU and national level should consider whether the ambitious goals set out by EU policy are achievable within the set timeframes or even if they are feasible on the basis of current railway policies at EU and national level.

Maritime transport

- Policymakers should also consider amending EU legislation on social security in order to create a level playing field with shore workers.

Inland waterways transport

- The competence framework for the sector needs to be updated in the coming years as more projects deploying automated and greener vessels will be implemented in the future.
- An action plan is needed for long-term skills transition. This action plan should specifically focus on how to increase the attractiveness of the sector to the younger generation and people with the skills which are required in the future.

Air transport

- In the light of new working conditions, policy makers should continue to monitor employment relationships of pilots and cabin crews that are based on alternative employment and temporary work, via intermediaries, such as temporary employment agencies.

Working conditions of ground handlers are not properly regulated at EU level. Policy makers should therefore consider a dedicated Regulation on minimum levels of working conditions.

Further information

This executive summary is available in the following languages: English, French, German, Italian and Spanish. The study, which is available in English, and the summaries can be downloaded at: <https://bit.ly/3leYeXI>

More information on Policy Department research for TRAN: <https://research4committees.blog/tran/>

Follow @PolicyTRAN

Disclaimer and copyright. The opinions expressed in this document are the sole responsibility of the authors and do not necessarily represent the official position of the European Parliament. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy. © European Union, 2024.

© Image on page 1 used under the licence from Adobe Stock

Research administrator: Davide PERNICE Editorial assistant: Mariana VÁCLAVOVÁ

Contact: Poldep-cohesion@ep.europa.eu

This document is available on the Internet at: www.europarl.europa.eu/supporting-analyses