

Bringing order to chaos

The case for sectoral bargaining across the UK haulage industry

Long hours, low pay and abysmal working conditions are destroying UK haulage. The country is at least 100,000 drivers short. The workforce is ageing. The industry is cut-throat and the working life it insists upon is not compatible with family or a decent quality of life.

Unite has been warning that this decades-long decay would result in a crisis across what is now a core part of the national economy.

That a crisis is upon us can be seen in vivid form in dockside backlogs, queues for fuel, shortages of favourite products and rising prices.

Unite has been working to address the very real and chronic problems of long hours and low pay, the loss of pensions and abysmal facilities for drivers on the UK's roads.

We are making breakthroughs, forcing up pay and removing two-tier working.

But this is a highly fragmented industry in which competition has driven wages and conditions to unsustainable and even dangerous levels.

It wasn't always the case. The industry was regulated by sectoral bodies which were widely regarded as successful.

From the mid-1970s sector-wide regulation began to be dismantled, with bargaining moving to a voluntary regional model, and ultimately to its current state of patchwork single employers.

Today's model is broken. It can do little or nothing to influence poor standards among many thousands of small operators. Competition between freight customers (including the major supermarkets) as well as competition between haulage contractors has again pushed wages and conditions down. Outsourcing and agency working have further contributed to a precarious employment environment.

Government efforts in recent times range from the dangerous (the continued extension of drivers' hours) to the irresponsible (cabotage changes that will intensify undercutting and driver exploitation).

The UK government has an obligation under the law to nurture an environment to improve and not lower working conditions for drivers – it is high time that they stepped up to meet these obligations. As we look across the Channel, we can see what can be achieved when employers, governments and unions work together to drive up standards. Workers' lives improve and the industry stabilises.

UK haulage is in crisis. It is time to bring order to this chaos, it is time to establish sectoral bargaining.

The biggest problem is the lack of decent facilities. I sleep in my cab four nights a week. The facilities we're expected to use are just disgusting - blocked toilets, not enough working showers. Some don't even have hot water. At one place there are just two toilets for 120 drivers. You can imagine the state of them.

Thurrock Moto services has got to be the worst – filthy and disgusting – there's human waste in the car park. I used to work in Europe, and one of the main reasons I went is because the facilities for drivers are so much better over there.

Time for a National Joint Council for the HGV sector

Unite has been working with the haulage industry on the area of mental health, which has been viewed positively by all concerned.

This sectoral work with employers should be built upon to resolve some of the long-standing problems through negotiation and sector-wide cooperation.

In key parts of the economy, National Joint Council (NJC) agreements already exist between employers or employers' associations and one or more union partners. The NJCs date back to the early 20th century when they were established as voluntary bargaining committees.

While deregulated employment has made work in the UK unstable for too many workers, large-scale collective bargaining and national-level agreements remain overwhelmingly the dominant model in some large sectors, notably the National Health Service, local government and construction.

The NJCs that remain active today operate without any specific statutory framework underpinning their operation and are simply voluntary agreements between unions and employers to negotiate shared interests and to regulate sectors for the common benefit of all concerned.

Examples include:

- The pay and terms of conditions of employment for local government services workers are determined by the National Joint Council for Local Government Services. The Single Status Agreement sets conditions for more than 1.4 million workers.
- The Construction Industry Joint Council (CIJC) Working Rule Agreement is the largest industrial agreement within the construction industry, covering approximately 500,000 workers and setting minimum pay rates as well as standards on travel and fares.
- The National Joint Council for the Engineering Construction Industry (NJC) reviews and administers the National Agreement for the Engineering Construction Industry – sometimes referred to as the ‘Blue Book’, or the NAECI, an agreement that dates back nearly 40 years. The agreement covers approximately 15,000 workers.
- The Thermal Insulation Contracting Industry National Agreement covers working rules and conditions for several categories of workers in the thermal insulation contracting industry. The agreement dates back to 1947.
- The Electrotechnical JIB sets employment standards in the electrical contracting industry, and refers to ‘over 144,000 cardholders’.
- The UNITE - BESA agreement sets pay and condition for the heating and ventilation contracting industry.
- The Joint Negotiating Committee (JNC) for Youth and Community Workers sets the national framework used to grade and pay youth work jobs. The function of the JNC is to agree the salary scales, yearly pay increases and other terms and conditions of service.
- The Joint Negotiating Committee for Local Authority Craft & Associated Employees negotiates the ‘Red Book’ collective agreement to set minimum thresholds on pay and terms and conditions of service for all craft and associated workers employed by local authorities.
- The National Joint Council for Local Authority Fire and Rescue Services (NJC) negotiates over a range of matters, primarily pay and conditions for ‘all uniformed employees of Fire and Rescue Services in the United Kingdom’.

I start work at 4am, and finish between 5pm and 7pm, so that's typically a 13 to 15 hour day. I'm on the road, sleeping in my cab four nights a week, from Monday to Thursday.

Collective action will advance shared interests

There is scope for engagement around the following concerns where employers and workers share interests:

- Improving the stability of the industry
- Reducing barriers to training, including costs
- Road safety
- Treatment of drivers
- Improvement to facilities
- Working time and work-life balance
- The general reputation of the sector
- Pay rates have been pushed down and are too low

There is an existing model of successful cooperation: the sectoral work already undertaken on mental health, this work has been viewed positively by both sides of industry.

And there are further issues around which constructive engagement may be beneficial to both sides of industry, for example: meeting the climate challenge; pensions; holidays; parental leave and career development.

Drivers' Certificate of Professional Competence (DCPC)

Unite would also insist through sectoral bargaining there is a full review of the drivers DCPC “Driver's Certificate of Professional Competence” to ensure it is relevant, worthwhile and properly funded.

Too often we have found that employers are using drivers' breaks to complete the certificate. The cost of undertaking the DCPC should also be picked up by the industry and the government, not passed to the drivers. At around £5000, the cost is a further deterrent to recruitment and retention in the sector.

The responsibilities of the Government

The government has obligations under ILO Convention No. 98, the European Convention on Human Rights, and the European Social Charter not only to permit but also to take steps to promote conditions under which collective bargaining machinery may develop.

“Those headline figures about what lorry drivers could earn now? Forget it. When you see what you’ve actually got to do to achieve those rates of pay, you’d be in the morgue before you know it. And so would a few other people that you would have taken out along with you when you crash.”

Sectoral regulation in practice: examples from Europe

Beyond pay and pensions, collective agreements also play a strong role in shaping social and working conditions of apprenticeships, specific health and safety standards, workers’ rights to training and qualifications and even infrastructure requirements such as those regarding parking areas. Employers also say that they help to stabilise the sector by establishing a ‘rate for the job’ that clients must respect and cannot undercut.

Netherlands

Two transport sector unions FNV Transport en Logistiek and CNV Vakmensen jointly organise around 90,000 drivers and together with de Unie they represent workers interests in sectoral bargaining opposite two employers’ associations.

As an FNV representative explained to the Financial Times, the system ***‘gives transport suppliers the ability to say to their customers: this is law, so I can’t go cheaper than this’***. In addition to the generally binding collective bargaining agreement company level bargaining can adopt clauses that are more favourable to the driver.

Sweden

Almost 50,000 drivers are set to receive extended contracts and pay rises under an agreement negotiated between the Transportföretagen union and the employers’ association. The employers’ lead has said that the new agreement ***‘gives our member companies peace of mind in a troubled time. As the agreement runs over a period of 29 months, our member companies have stable conditions for a longer period of time. It is of great importance as well as necessary because the corona pandemic has hit society hard and is affecting the industry’***. The agreement also allows unions and employers to agree strategies intended to ensure that the Swedish transport sector ‘will achieve high climate goals by reducing its emissions by 70 per cent by 2030’.

Austria

The vda trade union (road section) represents the interests of all professional drivers in Austria, including in collective bargaining the interests of around 70,000 dependent employees in the road freight sector, who are employed by around 11,000 companies. Practically all companies in the Austrian transport and logistics sector are covered by a collective agreement.

Belgium

Working conditions for workers of the transport sector are negotiated in a national joint committee for road transport of freight and passengers. Belgium has the highest degree of bargaining centralisation and coordination in Europe. The current collective agreement for the road transport sector and logistics on behalf of third parties stipulates weekly working time, minimum wage scales, and various premiums.

Denmark

The United Federation of Danish Workers (known as FFF or ‘3F’) organises in the transport sector across 30,000 drivers working in road freight transport. The collective agreement in the transport sector covers all workers in the sector. It includes subjects such as normal daily working time, rates for overtime, sickness pay, leave, inclusion in the sectoral pension scheme, support for workers with children, as well as provisions on continuous learning. It also covers basic wages and premiums that set a sectoral floor.

“Laybys are being closed, there’s no truck stops that you can stay at. At motorway services you’re restricted to the amount of time you can stay there. Road service stations often have a limit of 30 minutes so you can’t even take your minimum legal break of 45 mins without the business getting a fixed penalty notice sent through the post because you’ve overstayed.”

“If drivers do stop where they shouldn’t they’re very likely to get a phone call from their employer because they are being tracked on GPS. ‘Why are you stopped there, you’re on an unauthorised break? Keep going, you’re supposed to be somewhere else.’”

“My experience is one of long hours and fatigue. You have mental fatigue, you have physical fatigue and then you can’t find anywhere to stop when you need to take that break to stay safe. There are drivers who are fighting to stay awake.”

The sorry state of UK haulage

- There is a recurring problem of drivers being forced out of the industry after economic shocks and difficulty recruiting when the economy recovers.
- The 2008 global financial crisis forced many drivers out, but recruitment failed to keep pace as the economy recovered, creating a substantial shortage of drivers.
- The government and industry knew about this problem years ago, what caused it, and that the shortfall was projected to keep growing.
- The sector had not fully recovered from the post-2008 shock, even by 2019.
- The twin shocks of Covid and Brexit forced more drivers out of the industry as these shocks temporarily impacted on demand for freight, and:
 - Brexit also pushed out EU nationals.
 - Covid halted training of new drivers
- The demand for drivers far exceeds the number of those ready and willing to work on the present terms and conditions, exacerbating a long-standing problem.
- The recent changes to IR35 rules have resulted in the scourge of bogus self employment being greatly reduced. Employers encouraged off payroll working resulting in drivers working longer and losing their full employment rights.

The workforce and pool of potential drivers

- There are more qualified drivers in the UK than the sector needs – these qualified drivers have left and failed to return because the job (under prevailing pay and conditions) is not appealing.
- Asking them to work despite the same old problems and with stop-gap measures such as even longer working hours (which both unions and the employer associations dismiss as useless and dangerous) is not the answer – when fatigue is already a widely cited problem in the sector.
- The use of EU nationals to fill driver vacancies helped to mask the problem, but this strategy did not ‘fix’ the problems.
- The industry is massively lacking in diversity:
 - the ageing workforce presents an imminent further shock to the industry and there is an urgent need to recruit younger drivers.
- Recruitment difficulties have been exacerbated by off-putting training costs and a view that the profession is insufficiently attractive (pay, conditions, etc) compared to comparable careers, such as van driving.

Barriers to recruitment and retention

- Facilities for rest, toilet and washing are very poor. This is a particularly acute issue for women drivers, but also a problem cited widely by all drivers.
- Working time is a major factor:
 - When so-called ‘periods of availability’ are added into the equation overall working time can be far in excess of what would be a safe maximum.
 - Overwork leads to dangerous situations, including drivers falling asleep at the wheel.
 - Extension of working time as a means to solve the crisis has been condemned by both sides of industry as futile and dangerous.
- An increasing surveillance at work culture has created an environment that drivers feel robs them of autonomy and leaves them feeling micro-managed, lacking privacy, and overly controlled.
- The costs of entry and on-going qualification costs are a factor:
 - Licence acquisition and renewal of qualifications is a factor deterring new applicants and increasing attrition of the existing workforce.
 - Many feel that the costs of training and renewal should be borne by the government and industry and that drivers should not have to take unpaid leave to renew their qualifications.
- An overall culture has developed in the transport, warehousing and logistics sector that sees HGV drivers treated poorly, which is an unpleasant work environment.
- Pay is below average for full-time workers and is very significantly below the average for male full-time workers.

Unite the union – October 2021

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