

**DRIVERS COME
FROM EASTERN
EUROPE**



**WHERE BELGIAN
COMPANIES ARE
OPENING OFFICES**



HOW BELGIAN COMPANIES CONTINUE TO OUTSOURCE,
DESPITE MORE STRINGENT EUROPEAN REGULATIONS,
THUS PENALISING EAST EUROPEAN
AND BELGIAN DRIVERS

IF YOU CLOSE THE FRONT DOOR ...

The Belgian Transport Workers Union (BTB-UBOT) was the first and only trade union organisation to join the fight against cabotage. Thanks to BTB-UBOT, Belgian companies are no longer allowed to make unlimited use of foreign companies for transport operations within our borders. At the same time, opportunities for the same foreign companies to transport goods in our country are now also subject to restrictions.

At European and Belgian level, policy-makers have introduced tighter conditions for cabotage. Based on Directive 2009/1072:

- Cabotage is only permitted for seven days after an international transport is unloaded.
- Only three cabotage operations can be performed during this period.

But an amendment of the European directive on cabotage is now back on the agenda. The European Commission is in favour of full liberalisation of the market, which would remove any restrictions for cabotage. This means that the Belgian and therefore the entire West European market will continue to be flooded by cheap East European drivers.

In Belgium and the rest of Europe, transport prices and salaries are under pressure due to organised social dumping by some employers. If cabotage is fully liberalised, the last defence against social dumping will finally crumble.

... THEY WILL GET IN THROUGH THE WINDOW

In its first black book, entitled "Drivers come from Eastern Europe – Where Belgian companies are opening offices" published in 2010, BTB-UBOT described in detail how Belgian hauliers are outsourcing work to countries where labour is far less expensive than in Belgium. By forming a company in Eastern Europe, a Belgian haulier can easily use East European drivers and equipment in Belgium, when organising its transport operations worldwide and even within Belgium.

This would not pose any problem, if they were real companies setting up business at these locations and conducting transport operations, mainly in order to serve East European markets. Very often, these companies are scarcely more than a (small) agency, with an individual or shared office. In some cases, the company con-

sists only of a letterbox or nameplate hanging at the entrance of a building.

Hypocrisy reigns at the negotiation table

At the negotiation table, we meet many employers who adopt this course of action. They claim not to have any other choice as their competitors are doing the same.

The only victims of these practices are professional drivers. Increasing numbers of Belgian drivers are losing their jobs on the international transport market because these bogus companies have cornered international transport operations. At the same time, East European drivers only earn a poor salary compared to their Belgian colleagues, despite being away from home for several weeks at a time. They bed down next

to the motorways or in gathering places, very often under abominable conditions.

Foreign drivers are brought here in vans and work in our country for several months, before returning home in the same van, which brings other drivers to replace them.

Very often, the equipment comes from Eastern Europe. However, the trucks do not leave Belgium, even for technical inspections in the country of origin. At weekends, documents travel between Belgium and Eastern Europe and are returned, as if the truck had passed a real technical inspection.

A European regulation aimed at combating social dumping

The European Regulation 1071, which came into force on 4 December 2011, introduced stricter conditions for the use of foreign companies. One of the conditions for setting up companies stipulates that they have to conduct business at the site and effectively prohibits the use of "letterbox companies".

Prior to the publication of this regulation, it was fully possible to hire drivers to work at discounted rates on the roads of Western Europe, by creating a letterbox company. As long as the legislation on cabotage was respected, East European drivers could drive on our roads day after day. It was enough to transport goods just across the border, after three trips within our country. They could then continue to make trips within Belgium. Anyone with a talent for creative planning could therefore organise things so that a driver recruited by a letterbox company could drive non-stop on our roads, without breaking the law in any way.

These practices lead to cheap East European drivers taking work from Belgian drivers, which puts pressure on transport prices and salaries for our drivers.

Our reporter at the location

In our first black book, we investigated Belgian companies, which had created subsidiaries in Bratislava. It also describes how they established these subsidiaries.

One and a half years later, BTB-UBOT went back to check whether these letterbox companies continue to exist and their legal status. Have they set up a legitimate business or is it still nothing but a small agency or nameplate hanging in the entrance to a building?

The aim of BTB-UBOT was to check whether Belgian transport companies are still indulging in this practice of using letterbox companies, in violation of the European regulations, or whether they have actually respected the regulations by setting up a bona fide transport company in Bratislava?

Our second study visit to Bratislava from January 21 - 23 2012 provided some answers to our questions. We will mention by name both the companies that organise transport activities at the location and those that are in violation of the new European regulations.

BTB-UBOT has only completed one small part of the jigsaw puzzle. In fact, we have only seen the tip of the iceberg, as Bratislava is not the only place that has been popular with "outsourcers". Other East European countries are also highly prized. Our Dutch colleagues from the FNV have vast experience in this field and have observed the same abuses in Poland.



**A RETURN TRIP TO BRATISLAVA
CONFIRMS WHAT WE ALREADY
KNEW...**

Just a sheet of paper ...

Our second study visit enabled us to confirm that a (large) number of Belgian-Slovak companies based in Bratislava still only exist on paper.

We only saw trucks at one of the twelve sites that we visited and continue to seriously question whether they are actually used for transport operations within Slovakia and its neighbouring countries. All other Slovak offices set up by Belgian companies are housed in office blocks, which are also home to a wide range of other (letterbox?) companies. We did not see any trucks, parking areas or warehouses being used for transport operations at any of these buildings.

Minibuses on the car park by the entrance

The first address that we visited, Trenčianska 57, was opposite to our hotel. This is the official address of the Intrabel company, the Slovak branch of the Transport Bellekens company from Heist-Op-Den-Berg. The Beldyslova company also has a "site" there, but its official address is at another location.

We came across these two companies at other locations. Was this intended to spread the risks? Beldyslova is a group of companies, which includes Transport Bellekens, Transport Van Dyck from Hoogstraten and Transport Van Loon (Paul and Victor) from Hoogstraten (some companies apparently relocate in groups!).

Away from the parking area, two marked minibuses could be seen, which were registered in Belgium. They were 9-seaters and probably used to take drivers from Bratislava to Belgium, before bringing them back to Slovakia at a later stage. The next day, we actually noticed that the minibus belonging to the Beldyslova company had disappeared and its place had been taken by a second Intrabel van, which was also registered in Belgium. When the doorman saw our camera, he threatened to call the police. We came back later, equipped with a hidden camera and dictaphone. We would have to use the same work strategy at all the places we visited.



When we entered the building to ask for information, we noticed that the two companies are managed by two people working in the same office. We approached them and they confirmed our fears: all the trucks are driven in Belgium and its neighbouring countries but never come back to Slovakia. Only the drivers make the return trip by van.

Two transport companies in the town centre

Three Belgian companies have set up Slovak subsidiaries at Mileticova 1. On the 7th floor, we knocked on the door of the Gobo Trans company from Lanaken. A pleasant lady explained that she has already worked for Gobo for 5 years, as well as Transport Lux from Borgloon.

From her cramped office, she takes care of about sixty drivers sent from Bratislava to Belgium to drive HGVs. When we asked her whether the company has any warehouses or conducts other transport operations, she answered in the negative: "The only warehouses that we have are located in Belgium, which is where all the loading and unloading takes place. Here in Bratislava, we only register the HGVs and drivers. Between Christmas and New Year is the only time when all the drivers are here in Bratislava. We use this time as an opportunity to give them an 8-hour training course, which is part of the 35 hours of in-service training required by Europe." We



tell ourselves: "At least they respect this European regulation."

On the fourth floor, we come across the office assigned to Slonatrans, the Slovak subsidiary of Transport Vandepoel from Herenthout. The office is occupied by a woman who recruits drivers to work in Belgium and France, but she has no vacancies for the time being. She also confirms that the HGVs are never driven in Slovakia or its neighbouring countries and are used only for the West European market.

The picture was the same with Transmet, the company set up by Herman Smets from Boutersem, whose office is located at Pluhova 2. On our previous visit, we were told that we were not welcome. This time, we were more fortunate. We even had the opportunity to put a few questions to a man who was working for Transport G. Dilissen, which has transferred its subsidi-

ary to this location. When we last visited, this transport company still had an office at Kopčianska 92. During our visit, we observed the same letterbox bearing the company name in the hall. But we doubt that it is still operating at this address.

Collecting mail – and nothing else

Racianska 66 remains an extremely popular address for anyone wishing to relocate their business. It not only houses the head office in Slovakia of Gilbert De Clercq from Sint-Niklaas. The above-mentioned Beldyslova company and Transport Ginis, Transgem from Waremmes, Transport Corneel Geerts under the Sventrans name, CB Trans and Transport De Vreese from Melle under the name of J&E Trans have also set up a letterbox at the same address. When we asked whether a representative from these companies could answer a few questions, the receptionist replied that no one is ever present from these companies. Someone occasionally stops by to collect the mail. Only the company CB Trans has employed somebody to take care of the mail and answer the phone. And nothing else!

Everything happens in Belgium

Two companies from the French-speaking region of Belgium and one from Brussels have set up business at Rybnicna 40. The company Transport Frisaye, under the name Sodema, and the company Glass Partners Transport

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share a small office in a small office block near Bratislava airport. A certain amount of industry is actually getting started in the local area, but when the two gentlemen were questioned about this, it emerged that the two companies conduct their business elsewhere. The two Slovak companies are managed entirely from Belgium; the only business conducted in Bratislava is the recruitment of drivers and storage of tachographs and other data concerning their work. No trucks were being loaded or unloaded and there was no evidence of transport or any logistics operations taking place.

When we knocked on the door of Brussels company Transport Dandoy, which has set up business here under the name Eurotrucks, no one came to open up. And so we moved on to the next company...

Nothing new under the sun

Our next visit took us to Radnicne Namestie 4. On our first trip, we looked for two Belgian companies. Unable to find any letterboxes or doorbells, we approached the receptionist, who told us that one of the companies had since left. But, as was the case two years ago, Johnny Delbeeke from the company Delcatrans still has a subsidiary at the location, but there was no sign of any trucks or transport activities.

In the student quarter

At Panonska Cesta 17, a building can be found, which is part of the Bratislava university campus. The many young people, university cafeteria and snack bar made us doubt whether we were at the right address. But the entrance hall removed any doubts. The company Transport Jost, which was well known for its excessive cabotage, had apparently set up a local subsidiary under the name Trans-Union.

We were welcomed by two young women who explained, to the letter, how everything worked. It was a familiar picture – all business was conducted in Belgium, drivers were recruited and registered here, but taken to Belgium by van to drive trucks. On leaving, we actually saw an old Mercedes van, which had been registered in Belgium. We wondered how many times it had already made the trip between Bratislava and Eupen.

Kopcianska – a logistics hub in Bratislava?

The companies will probably tell you that the addresses we visited are not their only offices and that they conduct business at another address in Bratislava. They might also claim to rent a warehouse or car park elsewhere, from which they organise their transport operations. In anticipation, we asked various people who may have known (drivers, pump attendants, etc.) where we could find transport companies or logistics sites. All of them sent us back to Kopcianska.



Transport Saelens from Ypres has set up its Slovak subsidiary at Kopcianska 65. We struggled to find the address and ended up at the rear of the building. We realised that we were actually at the right place, as the company name was painted in big letters on the white wall. We saw two minibuses in the parking area, which gave us the impression that they were used to transport drivers to Belgium. We finally found the entrance to the building and asked the receptionist if we could speak to someone from the company. After a few phone calls, it appeared that the manager was not present because of an appointment in town. The lady invited us to come back later and make an appointment. As we did not have enough time to do so, we continued on our journey to our next stop.

Transport Vermeulen from Hulshout is run by Inge, Ilse and their father Constant Vermeulen. The fact that he has registered his Slovak company under the name Ingco, is a logic thing to do. Transport Ingco has its office at Kopcianska 92, but some trucks are also registered at the address Bardosova 2. But this could not be confirmed when brief enquiries were made at this address. Kopcianska 92 is a logistics site, where a variety of transport and logistics companies are based, such as DB Schenker. We saw HGVs coming and going here all the time. A few trucks could be seen in the inner courtyard, but no warehouse or garage, and the office was located, as at all the other addresses we visited, in a building full of other offices. Is Transport Vermeulen running a real transport business after all? Or is it another letterbox and

parking area rented from neighbouring businesses, where trucks could be parked before being taken to Belgium? On our next visit, no one was there to answer our questions.

Your own virtual office for only €40 per month...

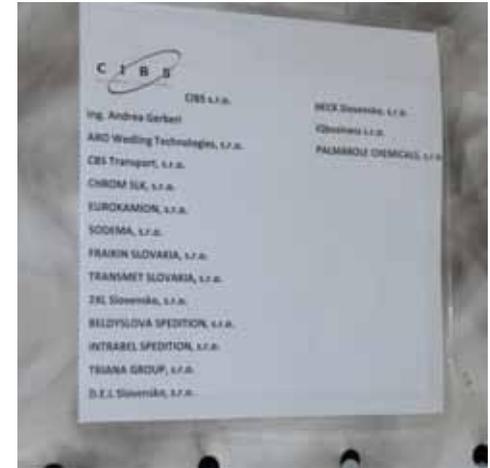
Sulekova 2 is situated in the high value district of Bratislava. We saw many authentic Slovak bourgeois villas, which now house many consulates and embassies. There is where David Faquet (F.I.R.S.T.) set up his Slovak subsidiary under the name DF Group. The Eutraco company from Roulers also has a nameplate there in the hall. Large banners attached to the bars attracted our attention. They are used to advertise virtual offices and services aimed at customers wishing to set up a letterbox company in Slovakia. We approached the reception and introduced ourselves as a Belgian transport company wishing to establish a company in Slovakia. During a long meeting, they explained how things work and confirmed that the Belgian companies operating in the building are nothing other than virtual offices. This confirms once again what we had already written in our previous black book. Except this time we recorded it all on our hidden camera.

Last but not least...

Our last stop was a new address. It was at Bazova 9 that Jean Heck set up his Slovak company or rather asked the company CIBS to ensure

that it complied with the legal requirements. When we got into the hall to ring the bell at the company's address, a letterbox immediately caught our attention, which belonged to CIBS. As well as Jean Heck, this company offers its services to other Belgian hauliers, such as CBS Transport, Eurokamion, Fraikin Slovakia and 2XL. But the companies Sodema, Transmet, Beldyslova and Intrabel, which already have a letterbox at another address in Bratislava, have also found refuge there.

We were able to chat with one of the four ladies present, who confirmed once again the familiar picture of trucks and drivers working exclusively in Belgium and its neighbouring countries, with the drivers being brought to Belgium by van and staying there for several weeks.





Where are the trucks?

When we visited Bratislava the second time, we were wondering whether the Belgian companies would meet the new European Regulation, which entered into force on 4 December 2011.

It should be noted that, despite tougher conditions for setting up companies, we only saw trucks at one of the locations that we visited. This was also hardly surprising, as most of these addresses had no parking areas for trucks, storage depots or garages. In many places, there was nothing but a nameplate, letterbox or small office to indicate the presence of a company.

The only means of transport that we regularly encountered on the company car parks were the minibuses used to transport drivers to Belgium.

Where are the staff?

We did not see any drivers anywhere (which comes as no surprise as they are all driven to Belgium by van), any logistics workers, garage staff, warehouses or garages where the trucks could be repaired.

If any staff were present in the offices, the people that we met or managed to question were

certainly not directors or company managers, but operational staff, working with Slovak job contracts. These people, like the companies established there and their subcontractors, such as CIBS for example, receive all their orders from Belgium.

For 4-5 years, East European drivers have met at the Asiadok every week. They spend the weekends under the worst possible conditions. Most of the drivers that we approached looked at us warily and were reluctant to talk to us. Fortunately, we met a Polish driver who has lived and worked in Belgium for over ten years. He was visiting his Polish colleagues and provided us with lots of information.



THEY COME FROM THE EAST ... AND MEET AT THE ASIADOK

Most of the drivers come from Poland or Lithuania and park their trucks at the Asiadok for various reasons. There is plenty of space for (free) parking, as well as a Lidl and an Aldi in the vicinity, where they can purchase food supplies at reasonable prices. This is where they meet

their compatriots at the weekends. Most of the drivers are away for 2-3 months before returning home for two weeks. Other drivers go back to their own countries after 6-8 weeks. These drivers are transported in groups. A coach comes to pick them up from the Asiadok and takes them back to their country of origin, where it picks up a new contingent that will drive the trucks, which stay put in Belgium. Most of the drivers work for a company based in their country of origin, which usually works for a client in Belgium or another country.

In addition to their gross monthly salary of 500 Euros (300 Euros net), the drivers receive a fixed allowance of 40 - 45 Euros per day. This means that they earn, on average, around 1,500 Euros per month. In order to earn this salary, they are away from home for weeks or even months and unable to see their families. But there are also Belgian drivers who only earn 30% of what their (Belgian) colleagues earn!

If they want to take a shower at the weekend, they go to the sauna in town. The Asiadok does not actually have any sanitary facilities. A toilet block has been built by the Port Authority in Antwerp. It is basic and can be relatively clean. But this truck park will soon disappear. We are curious to see where the drivers will go.



BELGIAN DRIVERS ARE LOSING WORK...

... TO EAST EUROPEAN DRIVERS!

Many drivers contact us to condemn these continued abuses. One of the drivers told us:

“We are laid off for economic reasons, but our boss is now looking for Romanian drivers.”

IT WASN'T US THAT TOLD YOU!

In October 2011, Telefacts (an information programme produced by Flemish commercial channel VTM) featured a report entitled “They are so cheap!” Tuesday 25 October – Every Friday, hundreds of truck drivers meet at the Port of Zeebrugge. All these East European drivers camp and spend months living next to our motorways. The truck park in Zeebrugge has been christened ‘Little Poland’.

For drivers like **Gjorgi Kamilov**, who comes from **Macedonia**, Belgium is their second country. “It’s like hard labour. 60 days without a roof over your head. I sleep in my truck. Apart from sleep, all I do is drive, drive and more driving. Over 13,000 kilometres per month.” Life on the motorways is extremely tough, but this is still better, compared to what he can earn in his own country. He tells us: “1,500 Euros per month. This is significantly less than our Belgian colleagues, but in Macedonia my wife has to work in a textile factory for five months to gain the same amount!”.

After two months, Gjorgi is relieved by other colleagues. The trucks remain in Belgium, as most East European drivers only work for Belgian companies, which have set up subsidiaries in Eastern Europe.

**THE BELGIAN DRIVERS
WATCH IT ALL HAPPEN,
POWERLESS TO DO ANYTHING ...**

Alain Deswarte, a driver working for DD Trans: “At DD Trans, we now have 110 drivers, compared to 215 in 2008, and the company plans to reduce this number to 75. There haven’t been any forced redundancies, as our employer wants to avoid a social plan and having to pay any compensation. He manages this by giving less work to our drivers, so that he has to pay less in salaries, or by harassing them. He also says that this blind competition is due to the liberalisation of the European market. And he is therefore forced to employ East European drivers using his letterbox company called “Baltictrans” in Poland.

Another driver working for DD Trans, Jean Marie Rappaert, adds: “This Polish company currently employs about 130 drivers. It does not conduct any transport operations in Poland itself. Even worse, these Polish trucks have never been driven in Poland. They undergo a technical inspection in Belgium and the registration plates are sent from Poland to Belgium. The remaining Belgian drivers are now restricted to transporting goods locally, as they are ‘too expensive’ due to the night allowances, or so we are told, higher rates on Sundays, overtime, etc. The only runs that the Belgian drivers can still make are those involving delicate loads or in emergencies.

As a result, the Belgian drivers are losing work and those who still have their jobs are working for a salary, which has been cut by 30%.”

Undercover operation

A colleague from BTB-UBOT posed as an employer. He answered an advertisement placed by a specialist agency, which helps employers in the transport sector to get established in Eastern Europe. Our colleague immediately received an offer, in which the agency explained how he could save up to 60% on wage costs by creating a letterbox company in Bratislava. Of course, this company is legitimate in administrative terms, but is actually a fictitious company. All business is conducted in Belgium. This offer from the agency IS Consulting is available for inspection on request at the BTB-UBOT offices.

Shameless

How can trucks registered in an East European country, which are constantly transporting goods in Belgium, and therefore never go back to their country of origin, still have all the documents relating to their technical inspections? The answer is quite simple: at the weekend, when the trucks are stationary, the documents are sent from Belgium to the country of origin, before being sent back with all the required stamps. Alternatively, if you have the right contacts, the documents can even be stamped in Belgium by the diplomatic staff of the relevant country.



***What does
BTB-UBOT want?***



A reinforced Posting of Workers Directive.

Anyone who works in another country must receive a salary that corresponds to conditions in the host country, which includes all salary components (non-statutory benefits, taxation, etc.). The directive, which regulates the posting of workers, must therefore be made to apply to international transport operations, which are not currently subject to this directive.

Reinforced legislation on cabotage (trucks must return to their country of origin after three cabotage operations, etc.) and, above all, more stringent checks using the GPS function on digital tachographs. The amendment of regulations for digital tachographs is currently under discussion at the European Commission, which makes this the ideal time to translate words into action.

In the case of violation of **conditions for setting up companies** – which require the construction of parking areas for HGVs on company sites, the setting of a real business in the country of establishment (European Regulation 1071) – immediately sanction the relevant companies and, if necessary, withdraw their transport licences.

Introduction of a minimum European salary. The difference between the wages earned by West European and East European drivers is too big, which is caused by dumping practices. The salaries paid to East European drivers therefore need to be increased as a matter of urgency. The introduction of a minimum European salary could be a first step in this direction.

It is now of vital importance that **companies placing orders are made accountable.** Customers who are aware of the dumping practices conducted by their transport contractors must be made to assume joint responsibility. For this reason, we are pushing for client companies to be considered jointly responsible for any violations.

**THE GOVERNMENT COFFERS
WILL SOON BE EMPTY ...**

It is about time the authorities understood that outsourcing has major and damaging consequences for public finances and these practices represent an organised pillage of the Belgian public purse.

An additional burden is placed on the social security system by the payment of temporary or full unemployment benefits to Belgian drivers, because East European drivers are taking their jobs here in Belgium. Belgian companies with subsidiaries in Eastern Europe, which lay off their Belgian drivers temporarily or, even worse, simply make them redundant before replacing them with East European drivers, are simply making themselves guilty of large-scale social and tax fraud.

Social security is also suffering from a lack of revenue, because these companies, which employ East European instead of Belgian drivers, are not required to pay any social contributions in Belgium.

The tax authorities are also suffering financially, because East European drivers do not pay any tax in Belgium, but in the country where the company that employs them is established.

Letterbox companies also pay tax in the countries where they were established. As a result, Belgian companies that have set up a letterbox company deprive the public purse of a major source of income.

Finally, the Federal Public Service of Mobility is also receiving less income as each registered vehicle generates revenue, in the form of registration tax, transport licences, technical inspections, fines, etc. The latter are not paid in Belgium, but in the country where the letterbox company has been established.



ABVV BTB
Samen sterk



FGTB UBOT
Ensemble, on est plus forts

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