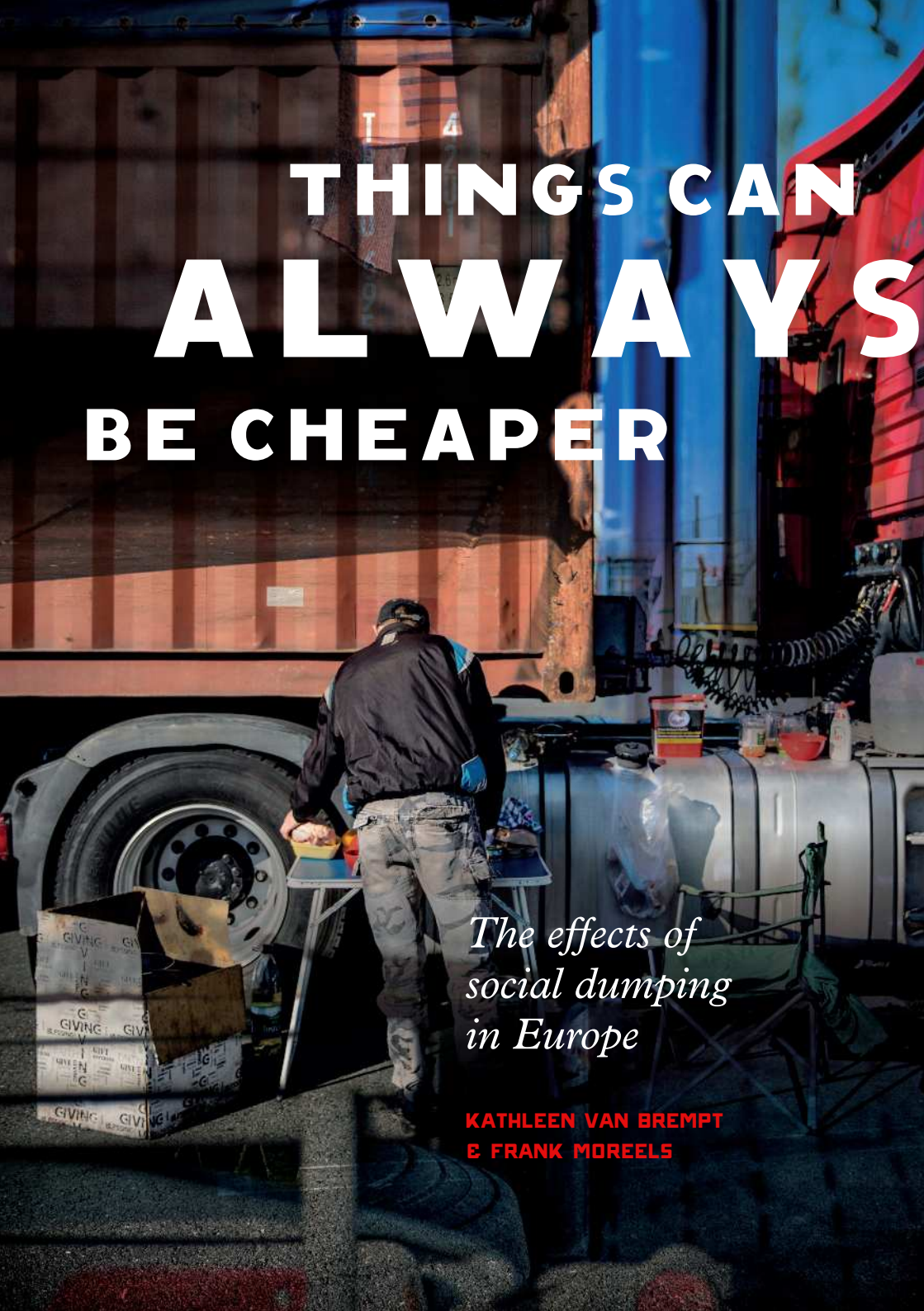
THINGS CAN
ALWAYS
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The effects of
social dumping
in Europe
KATHLEEN VAN BREMPT
& FRANK MOREELS

THINGS CAN ALWAYS BE CHEAPER

The effects of social dumping in Europe

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When it comes to 'social dumping', our first thoughts usually go to the transport sector. You only have to look at the Eastern European number plates driving along our motorways. However, exploiting workers from countries that have low wages and bad labour laws to uphold what are already weak social protection measures is something that goes on in a great many sectors. It happens in shipping, construction, cleaning, farming and slaughterhouses. Even the IT sector has to deal with cheap Indian programmers who work in Belgium on dumping wages. There are also

businesses such as Bpost that outsource their contracts, which means that in the end, most of the work is done by the subcontractors of subcontractors, usually working undeclared, in the black. Or Proximus, which wants to outsource its call centres to Morocco, where wages are lower and employment conditions are more lax. Or Ryanair, which registers its employees in Ireland 'because it's cheaper'.

When it comes to dealing with social dumping, we should be able to tell a story about strong national legislation, European regulations and directives, figures and percentages. But the impact of social dumping only really takes on a face when we tell stories of the people who are its victims. These are the faces of Romanian truckers who live for three months at a time in their cabs, who have to contend with the rigours of loneliness and who don't see their children growing up. Or there are the Indian construction workers who spend their lives eking out an existence in camps close to some building site in Liège, only able to go home once a year – all of which speaks volumes.

There are thousands of workers in Europe being exploited on the quiet by well-organised networks operating on the fringes of legality – and often well beyond it. Social dumping deprives workers of the individual and collective rights, taking away their human dignity, putting them in dangerous situations and creating a social underclass of people who are barely able to make ends meet. There's a whole lot of money to be made from exploiting people. For these fraudulent entrepreneurs there is only one slogan that counts: things can always be cheaper. The fact that victims occasionally – literally – lose their lives for these businesspeople's own gain may

THERE'S A LOT OF MONEY TO BE MADE EXPLOITING PEOPLE

be something they may deplore, but are willing to accept.

Both of us have been active in recent years in the fight against social dumping: on the workfloor as union delegates, as well as on a European level as a Member of the European Parliament. It has taken a very long time before anything has finally been done about social dumping. We are still a long way from getting there, but some major steps forward have been taken in the past few years. The biggest problem today is not so much what European regulations can do – although they could certainly be improved – but how checks are carried out and how the existing laws are enforced in the Member States. Fraudsters are well aware that the risk they run in breaking the law is only a small one – far too small to be able to take out the problem, root and branch.

Through this booklet, our hope is that we can bring the issue to a wider audience. We have every interest in having good social protection and in providing a proper public service. It is also important for this story to take the sting out of the we-said, they-said contradictions that come into play all too quickly when it comes to foreign workers. Everyone is a victim of it: both the Belgian workers who lose their jobs because they can't compete with low wages from Eastern Europe or elsewhere, as well as the Eastern European workers who are treated like modern slaves. Even people who are not directly involved in the abuse may become victims of social dumping: overtired truck drivers or unqualified builders are a danger to everyone.

In the pages that follow, we will introduce the reader to Ovidio, Yuri and David, who want to save money so that they can marry their girlfriends, as well as to Alexandru and Florentin, to the red-headed Venezia, who fries liver in a hut

somewhere. And Nina, who was fired from her job because she stood up for exploited truckers. You'll also meet Emilian, Marius, Nicola, Pjotr and Andrjez… We visit the offices of the PO box companies that Belgian transport companies have set up in Slovakia. And we ask ourselves what IKEA's iconic Billy bookcase would actually cost if the drivers weren't exploited.

And in the final section, we'll take a look ahead at what needs to happen to put an end to social dumping and to give workers across the whole of Europe the assurance that their rights are being protected, so that they can rely on earning an honest wage and rely on a sturdy social safety net and good public services. In a word, so that they can lead a decent life.

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THE NAMES OF THE PEOPLE INVOLVED HAVE BEEN CHANGED TO PROTECT THEM AGAINST POSSIBLE REPRISALS FROM EMPLOYERS.

SATURDAY AFTERNOON, DEEP IN THE PORT OF ANTWERP

"IT TAKES TWENTY-TWO HOURS TO DRIVE HERE FROM MY HOME IN ROMANIA. I STAY HERE FOR TWO MONTHS. THEN IT'S TWENTY-TWO HOURS BACK HOME AGAIN TO MY WIFE AND CHILDREN."

It is Saturday afternoon. A drizzly January wind is scything across the Goordijk parking area, deep in the port of Antwerp. This is a place where mere mortals do not dare to come. This is the territory of international lorry drivers, who come here to park their trucks under a grey sky for the weekend rest period. Fifty thousand square metres of tarmac provides enough space to park 208 heavy good vehicles. They come and go. The car park is filled mainly with forty-tonners, ranged up alongside each other. Many of them have their engines running. It's cold and the drivers have to be able to keep warm inside their cabs.

In the parking area, which is operated by the Antwerp Port Authority, you can see more than just trucks; there are also dozens of private cars with Eastern European number plates. Ovidio points to his car. "It's a twenty-two hour drive from my home in Romania to here," he tells us. "I stop along the way in Austria to get a few hours' sleep. I stay here for two months. Then it's another twenty-two hours back to my wife and two children. Then I'm home for one month."

Ovidio, has been in international freight haulage for 17 years. "Before this I was also a driver, in Iraq and Afghanistan. Yes, I've seen an awful lot. Being a truck driver is not a job – it's a way of life. You have to look at it that way, otherwise you couldn't do it. Of course my wife doesn't like it, but what do you want? There's no work in Romania. And even when there is work, you only earn 300 to 400 euros a month as a driver. Here I can earn up to 2000 euro. I'm not

complaining. As an ex-soldier I'm used to it." Ovidio laughs uproariously.

Men such as Ovidio criss-cross Europa and have 45 hours off every fourteen days. Ovidio then spends the night in a room at the Ibis hotel close to Central station. The Ibis website says it's a budget hotel. That makes the rooms a good deal cheaper. It's the employer who pays. During the other weekend, the drivers have a rest period of 24 hours. And when that happens – just as they do every other day – they sleep in the cab of their vehicle in a car park somewhere. They wash in a tub in the truck or in the facilities at motorway service stations, where they can sometimes also wash their clothes. Hygiene is a challenge, not an everyday occurrence.

A little further along, David stands behind his HGV cooking with a pot. David is a tall young man, dressed in a hi-viz jacket, under which he has a warm red fleece hoodie. He is, like most drivers, somewhat distrustful of our interest in him. But once the ice has broken, he treats us to a look at his life. David comes from Greece, where he grew up and where his family still lives. "But I have Romanian nationality." He is 22 and has a degree as an IT engineer. "I can't find a job in Greece. There's no work. My big dream was to study to become a pilot. But it costs too much money. That's why I'm here. I pick up tree trunks in the forests in Germany and France and bring them here. Or I've done aircraft parts before."

A chop is sizzling in the pan on the fire next to the impressive diesel tank of his truck. "I began working as a trucker four months ago. I have a girlfriend in Greece who is still studying. We want to get married. In the meantime, I save what I can through this job." He is not really very hap-

py. “I drive a wreck. The thing is constantly breaking down. I will change haulage company soon, so at least I can drive a proper truck.”

Very often, drivers are given a decrepit old truck to drive, or some old bone-rattler that’s not just a danger to the driver, but also to all road-users.

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ALWAYS SLEEPING IN THE TRUCK

David never sleeps in a hotel. He drives around for three months, fifteen hours a day, and then he can have one month at home. "During those three months I always sleep in the truck." Some drivers are still paid during the month they have off at home. But not David. But he now earns 2000 euros a month and that eases the misery somewhat.

IF THE EASTERN EUROPEANS WERE PAID CORRECTLY, THEIR WAGES WOULD BE AT LEAST FOUR TIMES HIGHER THAN THE AMOUNT THEY RECEIVE NOW.

However, the 2000 euros that he earns at the moment is not what it seems, because it is not a truly salary. David only earns 400 euro. "The Romanian salary," he says. This is the amount that is counted for social security and the drivers' pensions. The other 1600 euros that David counts as his 'pay' is actually made up of the per diem payments that the haulage companies have to pay and which the drivers can use to pay for their meals and the like. So it is not a salary as such. This system applies to just about all foreign drivers. Their wages are extremely low and the amounts for social security are paid in other countries, where contributions are also much lower than they are in Belgium. Because that's what the haulage companies have to do: things can always be cheaper! If the Eastern Europeans were paid correctly, their wages would be at least four times higher than the amount they receive now.

The victims are not just the foreign drivers who are a long way from home and who have to live in degrading circumstances. Social dumping also affects Belgian drivers, because they are not able to 'compete' with the low wages that their counterparts from Eastern Europe earn. As a result of this, thousands of jobs have been lost in the Belgian trans-

port sector over the past ten years. Which is also the very essence of social dumping: jobs being lost in one place and replaced by dumping wages and nineteenth-century working conditions. Which means that among ordinary workers there are nothing but losers, while with the haulage firms – as well as construction companies and slaughterhouses – there are nothing but winners. Except for business-owners with a conscience. And there are some.

A year or so ago, Jos came knocking at the transport workers' union, BTB. Jos runs a Belgian haulage company that has 47 trucks. So it's not a small business. Jos tries to play fair and only works with Belgian drivers or with foreigners who are paid in line with Belgian collective labour agreements. Jos believes he does the right thing with his business. But he can no longer compete with companies who recruit from Eastern Europe. "More than that," he says, "I can't find customers any more who are willing to pay the correct rate." IKEA, Nestlé, Volvo, etc. – all of the big multinationals have their goods carried by subcontractors working for subcontractors. As do the major players on the market, such as DSV, DHL and so on. They put the jobs out to tender and whoever is the cheapest gets the gig. Without any other questions being asked. These companies, without exception, are always the king of social dumping.

IKEA, NESTLÉ, VOLVO... ALL OF THE BIG MULTINATIONALS HAVE THEIR GOODS CARRIED BY SUBCONTRACTORS WORKING FOR SUBCONTRACTORS. WHOEVER'S THE CHEAPEST GETS THE JOB. AND THESE ARE ALWAYS THE KINGS OF SOCIAL DUMPING.

In the Goordijk parking area, David pulls the collar of his high-viz jacket tighter

During the weekend drivers fill up bottles of water for the following week on the road.

round his neck. Doing the cooking outside in January is no joke. But the summer has its disadvantages, too. In the summer months, the cabs that the men have to sleep in become like ovens. The fact that David never sleeps in a hotel or anywhere other than the cab of his truck when there are suitable amenities, such as the ability to take a shower, is even less kosher. In fact, it's against the law. At the end of 2017, the European Court of Justice ruled that drivers cannot spend their rest period of 45 hours in their cab. The ruling handed down by Europe's highest court of law followed a complaint lodged by a – yes – a Belgian haulage company.

DRIVERS FIND SPENDING THEIR LONG REST PERIOD IN THEIR CAB IN CHEAPER THAN PAYING ROUGHLY 50 EUROS FOR A MODEST HOTEL ROOM.

Temse-based firm, Vaditrans, appealed against a fine of 1,800 euros lodged against it in the fight against social dumping in 2014 by John Cromez, the then secretary of state for the fight against social fraud, because the company was forcing its drivers to spend the long weekend break in the cab of their truck. Of course the fine worked out a lot cheaper than paying even 50 euros for a modest hotel room. Things can always be cheaper. A cab doesn't cost anything. The European Court of Justice was crystal-clear: the very aim of European regulations is to improve the working conditions of international drivers, said the Court. In fact, the ruling stated verbatim: "The cab of a truck is not a suitable location for spending rest periods that are longer than the daily or limited weekly rest periods."

OUTDOOR COOKING

IN VIRTUALLY ALL WESTERN EUROPEAN COUNTRIES, THE NUMBER OF ACCIDENTS INVOLVING HGVS DUE TO OVER-FATIGUED DRIVERS HAS RISEN IN RECENT YEARS.

It's not just trucks in the parking area, but delivery vans, too. A dark-grey passenger bus stops next to a motorway leviathan. This is the changing of the guard. New drivers arrive and replace the ones who are able to head off home for a couple of weeks. Carrying them in these small buses is very common. The long journey that drivers make from Eastern Europe, under pressure from the hauliers, is not usually counted as working time. Which is why they try to cover the route as quickly as possible, without too many breaks. The result is that the driver get in behind the wheel of their trucks already over-tired. In virtually all Western European countries, the number of accidents involving HGVs due to over-fatigued drivers has risen in recent years.

In the luggage bay of the grey bus is a stack of large suitcases, while the rest of the storage space is packed with food that the men have brought from home. Behind the wheel is Yuri. "We alternate with each other on the journey from Lithuania. We left there eighteen hours ago and drove here in one go – 1800 kilometres." Yuri is a handsome young man of 24 with a mischievous face. He already has 5 years of driving behind him as an international truck driver. He also has a girlfriend back home in Belarus. "She thinks what I do is awful," he nods. "But I have to so that I can earn something to save for my project. It's a secret," he laughs. "No, honestly, I don't yet know what I want to do. But definitely not this."

A little further along, three drivers have converted an empty truck trailer into an improvised kitchen. Outdoor

cooking can be fun for normal people, in the summer on the barbecue in the garden. But out here in the parking area, it's a day-to-day reality, in the rain, wind or bitter cold. If they cook themselves, the drivers literally don't have to de eat up their day's pay in motorway restaurants. A simple dish of the day there costs between 11 and 14 euro. And a half litre of cola with it costs two and a half times more than it does in a supermarket. Three out of four truck drivers think that the prices for food and drink in motorway restaurants are too high. So when they spend the night in a motorway car park on an ordinary working day, like the Goordijk parking area, they often cook their own food over a rickety campfire. They only go into the building where the restaurant is located because it has toilet and shower facilities. A visit to the toilet costs at least half a euros and taking a shower can be anything from between half a euros to two euro. There is also only one shower for men and one for women, which means they have to wait in long queues. The alternative is washing at the basin, which means that drivers don't have any privacy, because there are no enclosed booths with washbasins. Which is why you often see drivers freshening up at the side of their trucks with a plastic bowl and a can of water. And so it goes on, day after day, for two to three months at a time.

The drivers are able to put up with it because things back home are often not much better. Many of them come from remote areas inside and outside Europe where there is no running water and where the family makes do with well water and a pump. So they don't complain. Or at least not loudly enough to disturb their employers. Complaining can cost them their job. Which is why these men in

their improvised kitchen in the trailer are not keen to talk. "Haven't got the time, we need to cook," says one of them sourly. He is stirring a pot bubbling away on a bright red gas burner. A little further along, chicken legs are waiting to be cooked, while in front there are bowls with sliced mushrooms and carrots. His friend takes a big slurp from a plastic jar in which green spheres are floating. "Pickled tomatoes," he says, as he wipes the pickle out of his stubble. "Want to try some?"

The grumpy man thaws out a little when he realises that we find the tomatoes delicious. "They come from my garden back home," says his mate proudly. He gives us the recipe, too: tomatoes when they're still green, water, vinegar and salt.

A sip of pickle water and a green tomato. But it's certainly cheaper than a snack and a drink in the Lunch Garden on the motorway.

Outdoor cooking is a day-to-day-reality, even in rain, wind or bitter cold.

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ELDOM
IN EVERY HOME

IS IT SAFE IN THE PARKING AREA?

More vans arrive in the parking area. This time not with drivers, but with mechanics who have come to do repairs on the trucks. They stand around in groups in front of the trucks, fiddling with the engine, hands blackened with oil. There's laughing and cans of beer doing the rounds. Now that it's lunchtime, there's a good atmosphere in the car park. In the evening things can be different. That's when some heavy drinking can go on, which sometimes leads to fights. In the autumn of last year, a 31-year-old Romanian trucker was killed here during a knife fight. But according to one of the drivers, things don't usually get out of hand. "In general the atmosphere is good."

The truck drivers also face other dangers. Such as loads being stolen. In 2014, more than 450 thefts were reported in Belgium. Half of them were in unmonitored parking areas along motorways. Antwerp, Rotterdam or Calais, because they are port cities, attract criminal gangs out to steal tobacco, electronics or pharmaceuticals. The gangs work for other people and operate at night when the drivers are asleep in their cabs. Although they avoid confrontations with the drivers, the risk is still there.

Recent years have seen the additional problem of people-smugglers. Organised gangs try to get migrants into the trailers of trucks in order to smuggle them to the UK. Not only is the confrontation with people-smugglers dangerous, as can be seen from the shooting

NOT ONLY ARE CONFRONTATIONS WITH PEOPLE-SMUGGLERS DANGEROUS, BUT THE RESPONSE OF THE BELGIAN GOVERNMENT ALSO INCREASE THE LACK OF SECURITY. BY CLOSING THE MOTORWAY PARKING AREAS, HGVS HAVE TO GO SOMEWHERE ELSE WHERE THE RISK IS EVEN HIGHER

incidents last year in motorway car parks, but the response of the Belgian government has also increased the lack of security for truckers. Because motorway parking areas have been closed, trucks have had to find somewhere else to go, where the risk is even higher, such as industrial estates or business parks and residential areas. By doing this, the problem has not been solved, but mere moved somewhere else and made worse. The only good solution is to invest in sufficient free, secure parking area for HGVs, which is one of the things the union is fighting for.

The Goordijk parking area in Antwerp is not protected either. Fortunately, changes are coming there soon. After ten years of fighting by the union, the tide is gradually turning. Further along, two men come up to us. Alexandru and Florentin are Romanians working with a Belgian contract. They are members of the BTB, the socialist transport union. Alexandru has been in international freight haulage for seven years. He is 48. "Before that, I worked as a mechanic." His story is the same as all of the drivers. Low wages in Romania. "I earned five hundred euros there. The money is better now, but it's not a life. I do it for my wife and children, a daughter of 16 and a young son of 5. I hardly ever see them. I have three months away from home, then three weeks with them. My wife understands, but it's no fun." The drivers miss virtually all of the important moments in their children's lives. That gnaws at you. When we ask them what their big dream in life is, Alexandru and Florentin reply in unison: "Leave this behind us as soon as possible." Loneliness east away at them, fatigue is always lurking in the background and depression is not unusual among truckers.

During the three months that Alexandru and Florentin are driving in Western Europe, they never sleep in a hotel, always in their truck. “I’m fortunate to have sickness insurance,” says Florentin. But while other people are able to choose themselves which health fund they join, this is not the case for Alexandru. His employer handles all that and he has only ever known the independent Onafhankelijk Ziekenfonds. Plenty of drivers do not have any sickness insurance. Their bosses claim they do, but when it comes down to it, this insurance does not exist. Some drivers are given travel insurance. That is cheaper. But strictly speaking, that type of insurance is for tourists and not for people who are working. And it may not pay out if the drivers fall ill or have an accident while they are working. The lack of any sickness insurance also means that drivers tend to self-medicate or keep on going behind the wheel when they are sick or injured, which presents a hazard for all road-users.

According to the men, the atmosphere in the parking area is generally good. They acknowledge that there are prejudices among the drivers. Romanians don’t like Belarusians and vice versa. But there are worse differences than just the prejudices that the Eastern Europeans may have about each other. Such as differences in their wages. The Slovaks won’t drive any more at the poverty-line wages they are offered. Romanians are cheaper. Romanian drivers usually have to do their own training to obtain their driving qualifications. Which saves a bit more money for the haulage companies. They are also looking increasingly further to the East, to Belarus, Moldavia or Ukraine. There, the drivers are even cheaper.

SLUMS AND HUTS

"WE ARE NOT HUMANS FOR OUR MASTERS. THEY CALL US APES."

But things can always be cheaper. At the end of last year, the Danish union discovered that there are now hundreds of Filipino drivers working in Europe. You'll find them on Belgian roads, too. They work for an absolute pittance of two euros per hour. The men are recruited on the instructions of European haulage companies by a Filipino agency in Manila with empty promises of the roads in Europe being paved with gold. That is also the reason why these men put down up to 5000 euros to obtain work papers and residential documents for Poland. Once they get there, they are given a contract with a subcontractor who then subcontracts them again to a Danish haulage company. In Denmark they don't receive the statutory Danish gross pay of around 3500 to 4200 euro, but Polish wages of 428 euro. They don't receive the sickness insurance they have been promised, either. The Danish union found these Filipino drivers in a camp, no better than a slum. The camp has since been closed down by the Danish Centre Against Human Trafficking and the authorities have begun an investigation against the haulage company. It is always the union that denounces these abuses. This was the case in 2016 when the Dutch FNV union came across Filipino drivers working for starvation wages via a haulage company in Latvia.

The Filipino drivers in Denmark were also victims of racism. "We are not humans for our masters," said one of them on Danish television. "They call us apes." Alexandru and Florentin have also experienced racist reactions because they come from Eastern Europe. They also know what it's like to live in slum-like conditions. "Shall we show them to you?" they ask.

Together we drive a little further to the private parking area of the haulage firm, Joosen. The company provides showers and somewhere to cook, but the conditions are more akin with the slums of Calcutta than those in a developed European country. There are barrack-like huts with showers and one broken down old hut that has a kitchen. Well, kitchen is a very big word for just a few shelves, a wooden worktop with a sink in it and a dirty old gas cooker. Under the worktop in the kitchen is a rickety old washing machine in which the drivers can wash their clothes.

Standing at the stove is Venezia, a Romanian woman of 50 with bright red dyed hair. She is one of the few women who work in this man's world. Venezia has been driving trucks since 1996. Sometimes with her husband, sometimes alone. When she's alone, it's physically tough, because the drivers not only have to carry the freight, but also unload it. "It's not always easy for a woman," she confirms.

Venezia is initially somewhat embarrassed when we want to come into the kitchen, but we make a sign to show that the sorry condition of the cooking facilities does not bother us. On the stove is a pot of bones and a pan of liver. We have to taste it. "Got lots of garlic," laughs Venezia. She lifts a flask of wine on to the table and fetches glasses. "Real Romanian wine, made myself from grape skins." We drink to their health and their future. More drivers come streaming in, staring hungrily at the liver. "In a while we'll go and watch a film together here," says Venezia. "That's the advantage of this hut. At

IN THE BARRACK HUTS, THE ROOMS ARE TINY, THE AIR STUFFY AND IN THE SUMMER IT'S STIFLING. SEVERAL DRIVERS SLEEP IN EACH SMALL ROOM.

least you're on the inside."

Some haulage firms do not provide hotel accommodation for their drivers over the long weekend break, but have put up huts on their own land. These are usually tatty old container accommodation units in which up to seven drivers can sleep. The rooms are tiny, the air stuffy and in the summer it's stifling. Up to four drivers sleep in each room. Many of them were promised a hotel back in the homeland to spend the long weekend break in. If they complain they are told that that's the way it is – we can't change anything.

Other haulage companies work with slum landlords, who rent out accommodation with a single bathroom and a kitchen so that they can pack in ten or more drivers over the weekend. Several truckers sleep in each room in the house.

HOW THE INTERESTS OF THE SECTOR ARE DEFENDED

The rotten facilities that Joosen offers its drivers say much about the way Belgian and also other Western European haulage firms, construction companies and slaughterhouses treat their workers. They are just a tool for earning a great deal of money for the bosses. Kurt Joosen from the Joosen haulage company sits on the Board of Management of Febetra, the Royal Federation of Belgian Hauliers which, according to its website, defends the interests of the transport sector. These interests are interpreted rather narrowly, because the interests of the workers are not mentioned anywhere. Nor are they mentioned in the code of ethics that all members of the Board of Directors have signed and which they display proudly on the website. They solemnly promise to support the general interests of the industry, to listen to one another with respect, to maintain a good group spirit and fraternity and to be loyal to Febetra. That's what they say, nothing more. Not a word about Corporate Social Responsibility, about fair working conditions, not a single letter about the people who work for their companies, nothing about fairtrade or companies working from a PO box, not a comma about the impact the sector is having on the environment and so on. The code of ethics goes on about a group of men who promise to protect each other. And that they certainly do.

In October last year, the courts raided Peethultra, the company of owner Roland Peeters, who is also a member of the Board of Directors of Febetra. He was still there in February 2019. The house searches were part of an investigation into Peeters that has been running since 2016. He is suspected of having set up PO box companies to be able to use extremely cheap drivers from Eastern Europe.

Peeters is the owner of two haulage companies in

Slovakia, both at the same address in an office building in Bratislava. He also promotes the interests of the sector there via the SK Service consultancy that was established in 2010 and that he got rid of in 2018 after the BTB made a report about it in 2017 in its blacklist on the haulage sector. It provides Belgian transport companies with information and assistance for setting up a haulage company in Slovakia. SK Service handles everything. There's a little office, where there's usually no one working, which is where all of the necessary paperwork is handled, right through to the day-to-day management of the fake company. There are a few dozen Belgian haulage companies that can be linked to SK Service. And they are also all neatly located in the same building or somewhere in the immediate vicinity.

BTB staff travel regularly to Eastern Europe to conduct undercover investigations there into the ins and outs of these PO box companies. They come back with jaw-dropping stories about companies that only have a letterbox on which a tattered sticker states the name of the company. Sometimes there is also a little office with a lonely pot plant and a telephone. Often these transport companies do not even have a parking area for trucks, no loading docks and no workshop to repair trucks. Sometimes the cheating borders on the absurd, such as in Senec, a small town some 30 kilometres from van Bratislava, where three haulage companies were located and where there was a large sign in front of the house saying: No Trucks! It takes a long time to track down these PO box companies. The transport firms change address as often as some people change their underwear. The company names are also changing constantly. That way they can conceal their activities from the inspection and police services.

European regulations do not forbid Eastern European haulage companies from developing business in Western Europe. But to do so, they need to be genuine Eastern European haulage companies that also conduct a transport business in their own member state. This is not the case with the PO box companies. They are in clear breach of European regulations. Unfortunately, those regulations are far too lax and these companies are barely inspected at all in Eastern Europe. Governments are all too happy that there is work available for their people, even if that work is underpaid and takes place in conditions that are not worthy of human beings.

The only transport activity that you will see that the offices of the PO box companies are the passenger buses

THE UNION GOES UNDERCOVER

that come to pick up drivers to take them to Western Europe. To conceal the fact that these drivers are the victims of social dumping, they are sometimes given false contracts that appear to show that they will be employed by a Western European company. These contracts also state a Western European rate of pay. Except they're fake. Under the so-call Macron Act, drivers driving through France must carry a document with them stating how much they earn. In virtually all cases these documents are false. The drivers seldom or never receive the amount stated on them.

Lots of companies in Bratislava are registered in adjoining offices located in long corridors in decrepit buildings. When you go knocking at any of these companies, a Slovakian woman opens the door. At the next door, it is the same woman who opens up. Two doors for two separate companies, but with no wall in between them. They share local employees so that they can keep up appearances. It's cheaper that way.

PO BOX COMPANIES SOMETIMES HAVE A LITTLE OFFICE WITH A LONELY POT PLANT AND A TELEPHONE. OFTEN THESE HAULAGE COMPANIES DON'T EVEN HAVE A PARKING AREA FOR TRUCKS

The PO box companies often work with local staff who look after their affairs. And woe betide anyone who suddenly gets a case of conscience. That was the case with Nina Frandes, a Romanian woman who worked in the personnel department of a Romanian haulage company. Actually, it was a company set up by an Austrian haulier to recruit cheap drivers in Romania for transport assignments in Austria and neighbouring countries.

One of Nina's tasks was to divide up the work and assign tasks to the drivers. She also did the paperwork and could see that the drivers were being squeezed like lemons. They weren't being given even a third of what they should have been earning if they had – as they thought – an Austrian employment agreement. Nina decided to stand up for the drivers and demanded that the company's employees be treated better. She was, of course, fired immediately. But that wasn't all. On her way home, she was intercepted by the business manager and beaten black and blue. Anyone wanting to expose abuse such as this is not appreciated by the sector. Nina now works for the Romanian transport

union, SLT, which is supported financially by five Western European transport unions, including the socialist BTB union.

DRIVERS ARE GIVEN FALSE CONTRACTS THAT APPEAR TO SAY THAT THEY WILL BE EMPLOYED WITH A WESTERN EUROPEAN COMPANY. THESE CONTRACTS ALSO STATE A WESTERN EUROPEAN RATE OF PAY. EXCEPT THEY'RE FAKE.

In April 2017, the union staged a campaign at seven IKEA outlets in Belgium. A pamphlet was handed out promoting a new, hip IKEA product, the 'Exploïted Trück-driväer'. Emilian is just such an exploited IKEA driver who operates mainly in Denmark and Germany. He works for the Slovakian department of the Norwegian transport firm Bring. He has a Slovakian employment contract, but never works in Slovakia. Emilian is away from home for four months at a time and lives in his truck during all of those months. He barely has a social life, apart from contacts with his fellow drivers in the parking area.

WHEN NINA STOOD UP FOR THE DRIVERS, SHE WAS FIRED IMMEDIATELY. ON HER WAY HOME, SHE WAS INTERCEPTED BY THE BUSINESS MANAGER, WHO BEAT HER BLACK AND BLUE.

Emilian takes home an average pay of 477 euros per month. A Danish colleague doing the same work receives five times as much. Emilian took a risk in giving evidence about his working life. He told a reporting team from the BBC that he felt trapped like a bird in a cage and that he was aware that it was the tough living conditions of the drivers that led to excessive fatigue, loneliness and depression. After the documentary was broadcast, Emilian was fired.

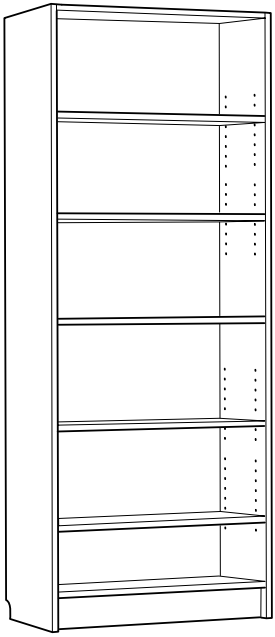
IKEA, a company that turned over 36.4 billion euros in Europe in 2016, likes to present itself as a sustainable company. It tries to reduce CO2 emissions in its business operations and promises not to sell any products manufactured by child labour. Each year, through its philanthropic division INGKA, the company spends 120 million euros on projects designed to help children in the poorest parts of the world. On its website, IKEA presents this generous gesture with a photo of a sweet little fluffy bear. But the drivers who

The rooms are small, the air is musty and in summer, it's hot as hell.

When it's too cold outside, they cook inside their cabin.

BILLY

bookcase



With fair transport

€40,57

Without fair transport

€39,99

IKEA saves 0.58 euros while drivers have to survive in miserable circumstances.

#therealIKEA

A BILLY BOOKCASE COULD ALWAYS BE CHEAPER

deliver goods for IKEA, including these sweet bears, are not able to rely on the kindness of the Swedish furniture giant. IKEA acts as though it doesn't know anything about this. In fact, the company does not have any of its own trucks and instead subcontracts deliveries to Slovakian and Bulgarian transport companies. IKEA apparently knows nothing. Negotiations between the unions and IKEA have led nowhere for years. Yet IKEA states that it takes "the working conditions of employees very seriously, adding: "With regard to haulage in Belgium and the Netherlands, we have conduct-

ed an investigation and found no indication that there is any breach of the cabotage rules." So everything's all right.

EMILIAN DRIVES FOR IKEA AND EARNS AN AVERAGE OF 477 EUROS PER MONTH. WHEN HE GAVE EVIDENCE ABOUT THIS, HE WAS FIRED IMMEDIATELY.

Of course, fair pay and working conditions for the truckers who work on behalf of IKEA would also push up the price of IKEA products. But not by so much that customers would choke on their coffee. During the campaigns in 2017, the unions handed out a pamphlet stating the prices of a number of IKEA products – with and without a fair wage for the truck drivers. Take the iconic Billy bookcase, for example, which many people have had or still have in their home. IKEA sells one Billy bookcase every 5 seconds. A typical Billy costs 39.99 euro. According to a calculation made by the university of Lund, if you included the additional cost of paying a fair wage for transport, the same Billy would cost 40.75 euro. So IKEA saves 0.76 euros by robbing the drivers. And an Ektorp three-seater sofa that costs 354.05 euro, would be just 5 euros more, including fair transport.

Are consumers willing to pay a small increase in price? Customers in the IKEA car park said that they would when union delegates told them about the living conditions of the drivers. And from research into the effects of the free circulation of goods and services in Europe, it appears that three Belgians out of four would be willing to pay more if it meant that the drivers' living conditions were improved. So the question is: what is IKEA waiting for to take responsibility for the entire production chain and to ensure that its drivers are treated as normal employees? Corporate social responsibility should not be a cheap slogan designed to

make a company's image look good.

While we were going around the Gooreind parking area, we received a call from Marius, a 53-year-old Romanian who has been driving trucks for 35 years. Although that is now coming to an end because he had just been fired.

For the past four years, Marius had worked for the Belgian haulage company Van Steenbergen, one of the pioneers of social dumping in Belgium. However, Marius didn't work directly for Van Steenbergen, but via the Slovakian firm Q Trucking Slovensko. When Marius wanted to return to Belgium after the year-end break of 2018, he was told that he had been fired. His letter of dismissal said that he had parked his truck in La Jonquera in Spain, whereas he should have been driving to France. "But that's a lie," says Marius. "I parked my truck in an emergency parking area a few hundred metres from the French border along with dozens of other drivers, because we were not able to drive any further due to the protests of the yellow vest demonstrators. At that particular time I had also worked for 12 hours and 53 minutes already." Strictly speaking, Marius still had 7 minutes left to drive, but was unable to complete his hours because of the demonstrations. "The real reason for me being fired is that I am a union member and I have protested against a new set of sanction regulations introduced at Van Steenbergen. Drivers who do not adhere to the rules see their daily wages docked by 10 euros a day." It is the boss who determines which driver has been 'naughty'. In fact, after the protests, the new rules were withdrawn, but it cost Marius his job as well as some of his fellow drivers. "They also didn't like the fact that I asked why we never received our compulsory 45-hour weekend break or why our overtime worked at night or over the weekend was not paid for," says Marius.

THIS IS NOT A HOLIDAY CAMP

The drivers are required to work during those mandatory rest periods. Because it can be traced through their own personal tachograph card, which automatically records how long they have been driving and when they take a break. But the cards are tampered with. “We regularly receive a second tachograph card from another driver,” says Marius. “So although I am officially on a break, I am actually working under someone else’s name. When I protested, the boss told me it’s not a holiday camp here.” Drivers who have one of these second tachograph cards used to be notified via the

messages on the onboard computer that they also have to return that card. But when the haulier realised that these messages tend to have a long life outside the cab and can be used as evidence, it sent out a new message saying to delete the previous one. You have to keep a clear head if you want to cheat.

Tachograph card fraud can only be uncovered by targeted checks on the road. But there are barely any of those. So the haulage companies are willing to take the risk of getting more out of drivers by using someone else's card. These are usually drivers who are off sick or Eastern European drivers who are back at home for a few weeks. And while they are with their family, another Eastern European driver is working, using their card. This system is used mostly by rogue hauliers looking to extract the most out of the system. If they get caught, they risk a stiff penalty. Sometimes they just pass it on to the drivers, because strictly speaking they are the ones who carry the responsibility.

This type of fraud will become more difficult once smart tachographs are introduced. This is something that needs to be speeded up, precisely to detect cheating. A smart tachograph should be able to record that the driver has been working under another name during his or her rest period. And an attentive inspector should be able to pick it up. On the other hand, you can hide a second card away after you have driven with it so that no one ever has to know that it has been tampered with.

Marius also has a son in Romania. Nick is seventeen, good with the little ones and speaks fluent English. All he has known for his entire life is that his father has not been around. "Sure, I miss him sometimes," he says, "but I've become used to it. It's also not unusual in Romania.

There's no work here and even if you find some, it doesn't pay enough to support a family. Many of my friends' fathers are off working somewhere in Western Europe. That's just how it works here." Nick also doesn't think that he'll stay in Romania. "We are perhaps seven years behind Western Europe. What would we fight for? There's nothing here to be proud of. People's mindset here is also not OK. Before I was born we were a communist country and everyone informed on each other. This mentality has now crept into our culture. The openness you have in Western Europe simply doesn't exist here. So yes, I will also try to come to the West."

Marius also complains that his employer doesn't play fair with health insurance. "A few years ago I had problems with my health. My contract was suspended and the sick pay I was promised never eventuated." That happens a lot. Drivers then have to pay for their own medical expenses. And sometimes that can go seriously wrong, as it did for Nicola Brezeanu, a Romanian driver who worked for the Slovakian firm Eurotrucks SK. The company address is at Rybničná 40 in Bratislava, but in fact is owned by the Dandoy family of the Dandoy haulage company from Mollem.

Nicola sustained serious burns at the Dandoy company headquarters in Belgium. Like most of the drivers, Nicola was cooking that weekend between the trucks. The Dandoy warehouse has an ADR licence, which means that trucks carrying hazardous goods are able to park there. The fact that on these industrial premises the drivers have to cook on open campfires is an aberration in itself.

THE DRIVERS ARE REQUIRED TO WORK DURING THEIR MANDATORY REST PERIOD, BUT UNDER A FALSE NAME.

While cooking, something

SOCAR

went wrong and a fire broke out. Nicola sustained severe burns to his legs. There was also damage to a truck, with the tarpaulin catching fire. Fortunately, the fire was put out fairly quickly by Nicola and his fellow drivers.

Nicola received no medical treatment and on the Monday he had to set off again with his truck. He also had to pay back the damage to the truck himself. The money was deducted in monthly instalments from his sparse wages. In the meantime, Nicola has left his job, but is still hoping – with help from the union – to get back the money withheld. In the Belgian press, Mr Dandoy denied having anything to do with Eurotrucks in Bratislava. Yet he opened the door himself at Eurotrucks in Bratislava when an investigative team from the union came knocking.

More serious still is the business relating to the Krismar haulage company from Wingene, which has a sister company in Poland. During the night of 31st March to 1st April 2012, the two Polish mechanics, Pawel Lawecki (27) and Marcin Adamek (28) lost their lives when a fire broke out at night in a company shed. The twentysomethings were asleep in the shed, along with nine other Poles, when the fire started. The judicial investigations into the fire were soon extended to include possible social fraud. In practical terms, the labour auditor asked for Krismar to be prosecuted for involuntary assault and battery resulting in death, trafficking in human beings, being a slum landlord and not paying wages correctly to the Polish drivers. The investigation discovered that at least 168 workers had not been paid correctly and that the company had earned 4 million euros at the expense of these Polish workers. It was not until 2017, five years after the events, that the trial began. It was immediately adjourned until 2020. Unfortunately, this

tragedy with the Polish mechanics is by no means unique. At the end of 2017, another death occurred at Krismar. A driver in the bitter cold trying to keep warm in his cab with a gas fire died as the result of carbon monoxide poisoning.

NICOLA SUFFERED SERIOUS BURNS WHILE HE WAS WORKING. HE RECEIVED NO MEDICAL TREATMENT AND HAD TO PAY BACK THE DAMAGE TO HIS TRUCK HIMSELF.

Of course social dumping doesn't just happen in the transport sector. In the construction industry, slaughterhouses and fruit-picking in Europe, the race to the bottom in terms of low wages and the most lax employment conditions is well underway. In Belgium, around one in three construction workers come from abroad. Their number tripled between 2009 and 2014. Between 2011 and 2016, some 20,000 jobs were lost in the Belgian construction sector, due mainly to the influx of foreign building workers.

As is the case in the transport sector, the work carried out by building workers is virtually invisible for the ordinary person in the street. Every day we see huge construction sites with massive cranes towering over them. But very little is known about the work that the men – ninety per cent of building workers are men – carry out on these sites. First and foremost, it is a very dangerous job. The building sector has the highest number of fatal work accidents – ten times higher than the average. In addition to the immediate risks, there are also the insidious hazards for health, including those caused by the constant lifting of heavy weights, breathing in toxic chemicals and being subject to vibrations or bas weather all of the time. But complaints about working conditions are not on the agenda. In the United Kingdom, for example, it has emerged that at least 40 construction companies have exchanged the names of 3200 building workers who had raised criticisms about the lack of health and safety precautions at work. Which meant they could go whistle for any new jobs.

Pjotr is a sixty-year-old crane operator. His story was recorded by the people at ETUC, the research institute of the European confederation of union movements. Pjotr comes from a medium-sized town in the north-east of Po-

INVISIBLE ON BUILDING SITES

land. But he spends most of his time abroad, somewhere on a large building site. The wages in Poland have forced him to do this. He began working abroad on his 26th birthday. In 1982, he travelled to Baghdad to work on a construction site there. When the communist regime in Poland collapsed and the country joined the EU, he came back to work on European construction sites. He lived in Germany, where he was involved in work on building the head offices for the European Central Bank. He also went to work in Sweden

and Belgium. He has just come back from a four-month job building a retirement home in Antwerp. “Once again I was cheated,” he sighs. “At the end of the month, they always pay you less than you have been promised. There’s always misery when it comes to payday. You always have to fight.” After a recent job in Belgium, Pjotr was paid in Polish zlotys, not in euro. “So we always had to exchange our zlotys into euros to be able to buy anything.”

Pjotr works for a Polish subcontractor, which also allocated him housing. But the men have to pay for it. The subcontractor charges 250 euros in rent. The workers also have to pay for their transport to and from the construction site. "There are mice all over the place and mould on the walls," says Pjotr. "Usually we have to sleep with two or three in a room, sometimes more. On one of the Belgian sites we even had to sleep in a building that wasn't yet finished. We were constantly breathing in fumes from the chemicals used on the site." The accommodation close to German sites was often even worse. Never has Pjotr experienced any control over the way the workers are housed.

More and more contractors try to deny any responsibility for their workers. This also happened to Pjotr for one of his most recent jobs in Belgium. "I could only be hired as a self-employed person," he says. "I had to set up my own company in Poland to be able to work." That way, contractors don't have to pay any social security contributions. Things can always be cheaper. But Pjotr is required to do so in Poland. Out of the 16 euros that he earns per hour, a large part disappears in social security contributions. It all involves a lot of extra work, too. "I have to produce invoices, send out reminders and so on. That takes a great deal of effort, so sometimes I don't bother."

Not only do construction companies that force their workers to be self-employed pay less, but they also make sure that any collective action is virtually impossible. Because the work is temporary – usually a job lasts for about six months – the building workers have to relocate often and they also have to work with other people they know nothing about. The men also come from various countries inside and outside the EU, speak different languages and

MICE, MOULD AND CHEMICALS

hardly understand each other. And depending on where they come from, their wages can differ significantly. Romanians and Bulgarians are happy if they earn 500 euros a month. Standing up together for the same rights is rarely successful. The divide-and-rule strategy used by the construction companies stops that from happening.

Depending on where you come from, the boss also allocates you a 'position' on the hierarchical pecking order at the building site. At one of the sites in Brussels, coordination of the site is handled by an Italian, who earns the same

money as the Belgians. The jobs of the specialist workers are divided up between the Portuguese, Poles and so on. Right at the bottom of the pecking order are the Kosovars and even a number of Egyptians, who were hired by an Italian subcontractor.

"I COULD ONLY BE HIRED AS A SELF-EMPLOYED PERSON. I HAD TO SET UP MY OWN COMPANY IN POLAND TO BE ABLE TO WORK."

From time to time, fraudulent subcontractors get into trouble. This was the case in 2016 during the construction of one of the biggest hospitals in the country, the Montlegia clinic in Liège, which opens this year. There were Indians, Pakistanis and Egyptians hired to work at the site through an Italian subcontractor, the shadowy PO box company, Consorzio Edile, which also had an office in Charleroi. These foreign building workers worked from the break of day until late in the evening, even in freezing cold weather. The fact that they weren't being paid to do so only came to light when seven Egyptian workers took up position on top of a crane because they hadn't seen any wages for months. Egyptian building workers also protested in 2018 at the site for the Rive Gauche shopping centre in Charleroi because their scanty wages had not been paid either. They were working on the site side by side with Indians, Kosovars, Albanians and Portuguese. There was also trouble at the gigantic building site for the Google datacentre in 2018, when the labour inspectorate and dozens of inspectors carried out a targeted raid. More than 100 building workers either had false documents or no papers at all allowing them to be working at the site.

The complicated tangle of subcontractors creates a murky environment in which abuses are difficult to detect. For the main contractor at a large building site, this is something of a bonus, because it can relinquish all responsibility. If the workers have an accident, it is virtually impossible for them to take action against their employer. This illustrates the story of Andrjez Szulczewski, a Polish building worker who told his story in the Danish documentary Race to the bottom, which has come to Flanders for the past two years.

Andrjez worked for the Irish company, Atlanco Rimec, which specialises in recruiting Eastern European and Polish building workers in Europe. At one site in France, Andrjez had his foot crushed under a load. He spent two months in hospital and afterwards was sent back to Poland. Today he is still disabled and is unable to work any more. He was also required himself to pay for the cost of the hospital and his medical expenses. He turned out not to have insurance. He is totally broke and lives on money given to him by his family. Andrjez worked with a Cypriot employment contract drawn up in English, a language he is unable to read. After two years of proceedings and much money spent on lawyers, his legal team advised him to stop because they think that they will not be able to claim anything from Atlanco Rimec.

Some years ago, the Portuguese journalist Antonio Martinez conducted an investigation into Atlanco Rimec, more specifically into the abuse of Portuguese workers. One of the witnesses he interviewed, building worker Paulo Andrade, was abducted by his employer for two days to pressurise him into withdrawing his statements. Atlanco Rimec

60
Km
KÖGEL

d&t
dutch design

A BUILDING WORKER ABDUCTED

[redacted]

is notorious across the whole of Europe. The online reviews don't lie: a toxic workplace, the owner Michael O'Shea constantly insulting the workers, dreadful working conditions, slave wages, theft, deceit, dictatorial owners, etc.

Workers complain that Atlanco Rimec makes them pay for their accommodation and transport costs. How much that is emerged when a Dutch newspaper, De Limburger, came out with a story in 2013 about the workers employed to work on the A12 tunnel in Maastricht. They were employed by Atlanco Rimec, which charged each of

them 986 euros per month for "services" such as accommodation and transport. Workers employed by Atlanco Rimec are obliged to sign a document in which they confirmed that they had requested these "services" themselves. In Maastricht, the workers stayed in premises that were due for demolition, so that Atlanco could rent them for a pittance. The scandal led to a court case that Atlanco Rimec lost. The Irish firm has also had heavy penalties imposed on it in France and Sweden. For Atlanco Rimec, the time was ripe to disappear. When the workers on the A12 tunnel in Maastricht came back to work after the Christmas holiday, they noticed that they were no longer working for Atlanco Rimec, but for a company called Oradeo. The change of name had been well prepared, because Oradeo had been set up a few years earlier. It is virtually impossible to prove who is behind Oradeo, because the business is owned by two companies in the British Virgin Islands, which by no coincidence just happens to be a tax haven.

AFTER SPEAKING TO A JOURNALIST, PAULO ANDRADE WAS ABDUCTED FOR TWO DAYS BY HIS EMPLOYER TO PRESSURISE HIM TO WITHDRAW HIS STATEMENTS.

Nevertheless, Atlanco Rimec cropped up again in 2015 in a strange story that was played out on the highest European legal stage, the European Court of Justice. The matter heard was Bogdan Chain versus Atlanco Rimec, case 189/14. Bogdan Chain is a Polish worker who has worked in various countries in Europe with a Cypriot contract for Atlanco Rimec. Chain was beginning to suffer with his health and subsequently had a heart attack, which rendered him unable to work. But back in Poland, he was refused a disability payout because his social security contributions were not in order, even though they were shown on his monthly payslip.

The matter came before the court in Cyprus, which referred the case on to the European Court of Justice. However, there was one major problem.

The plaintiff, Bogdan Chain, had no idea that he had ever lodged the case before a Cypriot court, let along the European Court of Justice. Things became very strange when Bogdan was represented both in Cyprus and in Strasburg by Cypriot lawyers appointed by a Belgian legal practice. Because the same practice was also defending… Atlanco Rimec. Which meant that the same law firm was involved with defending both the plaintiff and the defendant in the case. In June 2015, the European Court of Justice dismissed the case after it became clear that it was fake. Atlanco Rimec was suspected of being behind this bizarre spectacle with the aim of obtaining a ruling from the Court that would change the legislation on social security for the whole of Europe. In Cyprus in the meantime, a criminal investigation has begun into the case.

Just as Atlanco Rimec disappeared from the radar, similar activities started to emerge under the name of Oradeo,

EVERYTHING IS FAKE, INCLUDING THE LAWSUIT

or in Poland as BC Staffzone, with numerous PO box companies changing their name and address so that they could not be located by the inspection services or by employees wanting to exercise their rights. Employees such as the Polish building worker, Andrei Strugala, who was struck by a concrete sheet while working on the metro in Copenhagen, suffering a broken knee as a result. The subcontractor Andrei was working for, the Polish temporary employment agency Bodumex, refused to call an ambulance. Andrei was taken by private car back to Poland, where he was left to

his fate. A Danish reporting team tried to find Bodumex in Poland. In the meantime, the company had disappeared from all of its known locations. The name of the company was also changed at the drop of a hat from Bodumex to Eurotech, S-Bud and Drogomex. They never found the company itself.

According to figures from the Danish union, 3F, the number of work-related accidents for the metro works – officially registered accidents, that is – was 68 per cent higher than normal. This had to do with employing poorly trained workers who didn't understand each other's language. But they didn't dare to stop working if conditions were too risky because they were afraid of losing their job.

A classic textbook example of social dumping is in shipping, where it has been used since the 1970s to push down the cost of wages and to keep unions out of the picture. In Asia, the 'export' of workers has even become a gigantic source of revenue. In the Filipino capital Manila alone, hundreds of agencies recruit workers for the shipping industry. Not just European, but also shipping companies from other countries have changed the flag they operate under to countries with low taxes, poor wages and lax employment conditions. The companies themselves work with subcontractors who provide them with workers and then wash their hands of them in innocence if there is any abuse. But things can still be cheaper if you allow underpaid shipping workers to load and unload the ships.

In our country that was the reason for the attack on the so-called Major Act governing port labour, which provides dockside workers in our ports with a properly regulated social status. Crooked port operators in Antwerp wanted

the sometimes underpaid workers, who were not trained for the dangerous loading and unloading work, to work in place of properly protected and qualified dockworkers. Because everything can be cheaper. Intensive union action, as well as the active work done by the sp.a party in the European Parliament were able to ensure that the dockworkers did not lose their rights.

Behind the products that we buy, the plane trips we take, the buildings we work and live in, or the services we use, there are always thousands of people lurking, trying to earn an honest crust. The most vulnerable of them are still falling prey to ruthless villains for whom the slogan 'things can always be cheaper' is a shameless way of generating big money. As the saying goes, you get what you pay for. And the price is paid by the thousands of workers who are exploited and dehumanised. If we want a Europe that protects its citizens, then we have to ensure that we have a Europe that takes social protection seriously.

Why does social dumping exist? The simple and most accurate answer is that exploiting people is a way of earning a lot of money. Not only is exploiting workers, which reduces them to modern slaves, morally repugnant and in most cases illegal, but over time it only produces losers. In countries where cheap foreign workers are employed, thousands of local jobs are lost. In that sort of world, everything and everyone is replaceable. Bulgarian workers protesting against their working conditions can be replaced by Ukrainians. Countries with a strong social protection system can be replaced by countries with poor social protection. Suppliers where there is strong union representation can be replaced by subcontractors that don't have any union representation.

The disappearance of local jobs in sectors affected by social dumping not only causes misery for the families involved, but also creates a toxic us-and-them climate. Colleagues from the UK, both in the union and among Labour MEPs say that social dumping was one of the main reasons for ordinary people in Britain to vote in favour of Brexit. The unfair competition between European workers, organised for the sake of raw profit, feeds a fear of foreigners and even causes racism. Paradoxically, it also delivers votes to right-wing and populist parties that want to undermine workers' rights even further.

Illegal dumping practices also destabilise our social security system and the tax base on which the welfare state relies. But social dumping hurts business as a whole. Companies willing to play the game honestly or which introduce innovation tend to come a cropper as a result of the degrading game that their malicious counterparts are playing.

THE WAY AHEAD

Member states from Eastern Europe have long been opposed to measures that call for an end to social dumping. That is even understandable. When their subjects work in Western Europe, lots of euros flow back into their local economies. However, these countries are gradually coming to realise that the PO box companies that set up in their cities are not doing it out of sympathy for the local population. If they can find even cheaper labour from outside Europe, in Ukraine, Moldavia or Belarus, or even further afield in Asia, the love affair with Eastern European member states will soon be over. The Eastern European member states are also jumping aboard an empty express train. They have high emigration. In addition to ordinary workers, highly trained workers are also leaving the country in search for a better future in the West. In Hungary, the emptying of the country has reached serious proportions – so much so that the government has pushed through the so-called 'slave act' to try and tackle the shortage of labour. This legislation raises the maximum permitted number of overtime hours from 250 to 400 and gives employers three years to pay for the overtime worked, instead of one year. Overtime can also be negotiated directly with employees, taking the unions out of the game.

Dumping practices are possible in Europe because there are still significant wage differences between the member states. Labour law is still very much a national matter, which means that these major differences are able to be created. The exploiters are able to detect these differences and try to make as much money from it as they can. In the international labour market of today, it is no longer sufficient to have strong unions, collective labour agreements and a social labour policy on a national level. Major

cross-border problems can no longer be tackled by member states separately. That also applies to other areas, such as tax evasion, international crime, the fight against terrorism or the approach taken to climate change.

The differences between pay and employment conditions in member states suddenly increase radically when new member states join the EU. That was the case in 1981 with Greece and again in 1986 when Spain and Portugal joined. At the time, cheap workers from Southern Europe poured into the North. The same thing happened when the EU expanded to the East in 2004 and 2007. It is important to realise this, because it means that not only do we have to work towards greater equality between individuals in Europe, but also between different areas in Europe. Prosperous member states need to realise that inter-European solidarity means that they have to invest in backward areas in order to raise the standard of living there as well. But love needs to be shard. Eastern European countries will be expected to respect the rules in place in Europe, defend democracy and the rule of law and allow unions to play their role in the social dialogue.

An important part of the solution for curing the cancer of social dumping must come from the European Union. The shoe has been pinching in the EU for a long time now and – although there have been some improvements – it is still too tight. Nevertheless, one of the original aims of the European Union was to bring member states closer together with regard to the living conditions of their citizens,

THE UNFAIR COMPETITION BETWEEN EUROPEAN WORKERS, ORGANISED FOR THE SAKE OF RAW PROFIT, FEEDS A FEAR OF FOREIGNERS AND EVEN CAUSES RACISM.

including the conditions of pay and labour. Initially, it was pretty successful. The 'economic miracle' after the Second World War was accompanied by a rise in living standards across the whole of Europe. According to the former president of the European Commission, Jacques Delors, this was the result of the 'European Social Model. This model was developed on a member state level – still with big differences between the member states – but with an overarching logic, namely that governments should protect their citizens against the negative effects of the market by providing them with a social safety net and good public services, and by actively involving interest groups, such as the unions, in the social and economic consultation process. Whereas the United States and some East Asian countries have done just as well economically as Europe, Western Europe has done far better in terms of equality and social justice.

There are varying reasons why the European Social Model has taken a hit. The transformation of Europe into a 'unified market', in which the free movement of people and goods applies, is one of them. It has meant that the social adjustments worked out at a member state level no longer have a hold on a labour market, which has become increasingly pan-European. In itself that is not a problem provided social protection is also lifted to a European level. This has not always been the case so far. One of the main demands from both European socialists an the unions is that social rights become embedded across Europe by mandatory legislation. This needs to impose minimum standards for the whole of Europe, such as a European minimum wage that will be at least 60 per cent of the national average earnings. In Belgium that wage needs to be 14 euros per hour. Fake contracts and zero-hour contracts must also be banned for

the whole of Europe. To fight bogus self-employment, we would extend the definition of 'employee' in the planned directive on transparent and predictable working conditions. This will result in workers who currently have to accept a vulnerable self-employed status will not only having a more stable employment situation with better social protection, but also being able to join a union. So, in the end, the house of Europe will also have a social roof to protect it.

Since the British Conservative peer Lord Cockfield published his whitepaper for a unified European market in 1985, workers' rights have taken second place to the free movement of services and workers. According to his Thatcherite deregulation doctrine, the labour laws in the member state where the company is based takes precedence over a cross-border service. This has meant a disaster for the social protection of workers. The unions issued an immediate warning about the consequences of this approach. They have been proved more than right.

It was only in 1996 that the Commission offered a response by introducing detachment rules designed to govern the movement of services and workers. From then on, the rules in the member state where the work was carried out were to apply with regard to maximum working times, a minimum annual number of paid days of leave, minimum wages, health and safety in the workplace and so on. For all other aspects of the service the labour laws of the country from which the worker came had to continue applying. However, these tightened rules were unable to prevent social dumping. The contrary, in fact. To make matters worse, in a number of rulings, the European Court of Justice interpreted these 'minimum conditions' incorrectly as a 'maximum ceiling' for employment conditions. There has also been a great lack of clarity about the rules for the transport sector, resulting in them simply not being applied.

The consequences were clear: after the expansion into Eastern Europe, the number of detachments rose by 69 per cent between 2010 and 2016. Right through until today there has also been a very favourable climate in certain sectors, such as

SOCIAL RIGHTS MUST BE EMBEDDED ACROSS EUROPE BY MANDATORY LEGISLATION

transport, for setting up PO box companies. In various studies, drivers have for years been reporting heir increasing dissatisfaction, exploitation, abuse and fatigue at work. Back in 2004 already — so before the Eastern European member states joined the EU — the European Parliament asked for a review of the detachment directive. The deliberate lack of action by the two successive conservative-liberal Barosso commissions has been no more no less than a guilty omission.

It is also something of a relief that the European social rules of today look different to the way they were five years ago. The Socialists have successfully placed the European Pillar of Social Rights on the agenda of the Juncker commission. But there is still a lot to do. Indeed, the Social Pillar contains a series of fundamental social rights that should be made to apply across the whole of Europe. But the Pillar is only a recommendation to the member states and does not require them to do anything further. That needs to change by 2024. All rights and principles from the European Pillar of Social Rights must have been converted by then into an ambitious set of European legislation. A priority is a European Framework Agreement for minimum wages and a European framework directive about minimum incomes that makes it clear that minimum wages in the member states must be set above the poverty line.

One of the most important achievements of the last term of legislature is the review of the detachment directive, for which we have partly to thank the Dutch union member and Socialist Member of European Parliament, Agnes Jongerius. This directive comes into effect on 30th July 2020 and will provide some significant improvements. From their first working day, employees on detachment will be able to rely on equal pay for equal work in the same place. This means that, ultimately, regional and sector-specific collec-

tive labour agreements will apply. The detachment period will also be limited and reduced from two years to one year. In exceptional cases, an additional six months can be requested. After this period, an employee detached to work in Belgium must be given a Belgian contract and also pay social security contributions here like everyone else.

Unfortunately, some back doors still remain open through which social dumping can be organised. The social security contributions for the detached workers still have to be paid in their country of origin. These contributions are a good deal lower in Eastern Europe than in the West. Which for us means that the social security contributions should not be collected in the country of origin, but in the country where the work is carried out and then paid into the country of origin.

One important point is that for the first time, the transport sector specifically comes under the detachment rules, albeit according to the old conditions from 1996. This means that from his or her first day, a driver here must work in line with the Belgian minimum wage, with Belgian statutory holidays. This interim solution is not perfect for the transport sector and there is still a major lack of legal clarity about how it will be applied. What does 'from day 1' mean in this situation? Does it mean from the time you cross the border or the time you carry out a task of some kind? Do you also have to comply with the detachment conditions if you are simply unloading goods but not loading anything new to take with you? Are you 'detached' if you, as a Bulgarian driver, take on a consignment of pears in Limburg, but a few hours later you are already on the road in Germany and Poland on your way to Latvia? This lack of clarity is likely to result in a lot of cases coming before the European

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Court of Justice.

It would be a lot clearer for drivers who spend months away from home if they were able to demand a contract before the court in the member state where they work most, rather than in the member state of the country where they are registered. If that is Belgium, then they must have the right to a Belgian contract with Belgian rates of pay and also pay Belgian taxes. If they become ill, they will have the right to Belgian sickness insurance and their children will receive Belgian family allowance. That would be fairer for

everyone.

The operating licence needs to be withdrawn from transport companies that have a PO box address in Slovakia, but whose trucks never set their wheels on Slovakian soil. The Socialists have tabled a number of proposals about this to the European Parliament. As we have seen, many PO box companies do not even have a parking area for their trucks. Which means that haulage companies must be obliged to provide a number of parking areas, in proportion to the size of the company. Companies must also be required to carry out a minimum amount of haulage in their own country and the truck should return to their base at least once a month. Companies that flout the rules must be placed on a European blacklist, meaning that member states must inspect them more frequently. If the problem persists then their licence to conduct international haulage must be at stake.

From the testimonials that we recorded, it also seems that social dumping means that drivers and other employees often have to live and work in abominable conditions. Month after month without a bed, with too little sleep, camping along the side of the road, with no toilet facilities or running water, or living in appalling conditions in huts or rundown premises owned by slum landlords; these cannot be called decent working conditions. And as if things weren't bad enough, some companies, employer organisations and Conservative parties are busy lobbying the European Parliament for even greater flexibility.

If it was up to us, it would be a case of 'They Shall Not Pass'. There can be no talk of making rest periods more flexible. The ban imposed by the European Court of Justice on spending the long 45-hour rest period in the cab of a

truck must also be honoured and adhered to. To improve the situation, we want more free, secure parking areas to be built with sanitary amenities in proportion to the number of parking spaces. It must then be compulsory to spend the short 24-hour weekly rest period in one of these parking areas, rather than alongside the road, as is currently the case.

We also believe that the smart tachograph needs to be introduced fully within 3 years, so that finally an end can be put to the cheating that goes on in driving times and rest periods.

THE PRINCIPLE OF EQUAL PAY FOR EQUAL WORK IN THE SAME PLACE WILL FINALLY BE RECOGNISED IN EUROPE. AT LEAST ON PAPER.

Making tough laws and rules is one thing; making sure they are complied with is just as important. That is the job of the member state. In Belgium these checks are substandard. It is true that there have been more prosecutions of fraudulent companies in recent years. But this is virtually always under pressure from the union. The Belgian inspection services are totally understaffed. The situation is so serious that even the normal course of law is being hindered as a result. When the Belgian Transport Union lodged a complaint on behalf of a number of drivers against the Limburg-based company, RMT, the court decided that the inspection services needed to set up additional investigations. Six months later, due to the lack of staff to carry out these services, nothing had still happened. The process has now dragged on for over three years. This naturally undermines confidence in the law.

In the autumn of 2018, a ruling was finally handed down, in which the drivers were found to be totally in the right. However, the company involved had ensured that it went out of business shortly before the ruling. Now the drivers have to turn to the Fund for the Closure of Companies in order to recover part of their money.

The lax enforcement policy in the member states makes it clear that we do not have to point the finger of blame for everything at the EU. The things that we do ourselves we don't always do better. Yet Europe does have a role to play when it comes to enforcement. The inspection services of the member states often come up against a brick wall when they have to work with the services from the country of origin. That's why a system of standardised (digital) social documents and certificates such as payslips, employment certificates, unemployment, sickness or disability documents needs to be developed for the whole of Europe. That will make checks easier and help

counter tampering with the records. All these digital documents need to be uploaded into the Internal Market Information System (IMI), where labour inspectorates from all over the EU can retrieve all of the information they need quickly.

To be able to tighten controls, we have always argued for a type of Social Europol, a European inspection service. In February, after years of pressure by European Socialists, an agreement was finally reached about setting up a European Labour Authority (ELA) to support member states in applying EU legislation in the area of cross-border labour and the coordination of social security. Particularly important is the fact that we have ensured that the European trade unions are represented on the Board of Directors of this new authority and that national unions also have the right to report fraud and abuse to the authority. It will then be obligatory to respond accordingly. This may be an important step, but it is not enough. That's because the new institution will only have a supporting function. It would be better if it had a more active role and was able to carry out inspections itself to check whether workers on detachment and their employers were in order with social security. Employers caught committing fraud must be placed on a blacklist so that they can be penalised by the labour authority. That would be a major improvement.

Europe must also work on creating a system of the joint and several liability of principals along the whole chain of contractors and subcontractors. That way it would be clear who is responsible for guaranteeing essential working conditions and

THE OPERATING LICENCE NEEDS TO BE WITHDRAWN FROM COMPANIES THAT ONLY HAVE A PO BOX ADDRESS THAT DO NOT CARRY OUT HAULAGE IN THEIR OWN MEMBER STATE

decent work. Companies such as IKEA will then no longer be able to hide behind their subcontractors and pretend they have a nose bleed.

As we have said previously, the involvement of both unions and employer representatives in social dialogue is embedded virtually across the whole of Europe on a member state level. However, this is not the case on a European level. It all depends on the goodwill of the European Commission. The involvement of unions and other NGOs in the European policymaking process must become the rule in the future. Not only to protect European workers, but also to provide a strong riposte to a number of autocratic regimes that seek to muzzle the unions in their member state. Europe must be more than just an internal market. In essence, it is a decent project, based on the principles of democracy, the rule of law and a series of fundamental freedoms, including the freedom to associate.

The role of unions is under pressure in various EU member states. The EU has few powers in this area, but needs to set a good example itself by strengthening the role of the unions on a European level. And it can do this by attaching more importance to tripartite consultation and social dialogue and by allowing social partners to play a greater role in European policymaking. The EU must also be able to guarantee that unions have the freedom to carry out their activities in all member states.

European companies have a high degree of responsibility when it comes to correct labour conditions, safety on the workfloor, impact on the environment on gender equality. For this reason, it would be good to impose a series of social requirements on companies across the whole of Europe and then enshrine those requirements in European legislation.

Personal hygiene is a challenge. Sanitary facilities are often limited and poorly maintained.

CONTROLS WITH SHARPER TEETH

This involves a number of basic requirements in relation to the economic, fiscal, social, societal and environmental responsibilities of companies. Naturally, public procurement needs to become the norm in the whole of Europe. Environmental and social criteria, such as anti-social dumping clauses, must be made mandatory in these public procurement processes, not only in the way they are conducted, but also when following up on the implementation of these assignments.

It must be possible to impose even stricter conditions

on multinationals. After all, their impact on the transition we need to make to a sustainable economic model is even greater. For this reason we propose that these strict conditions be included in a European Passport for Corporate Social Responsibility. It will cover obligations in terms of social dialogue, correct employment contracts, gender equality, the company's impact on the environment and the obligation to report for each country where profits are being made and where taxes are being paid, etc. If a multinational does not have one of these passports, it will not be able to operate in the European Union.

Many of the sectors in which social dumping is happening today will be faced with fundamental changes designed to change our economy dramatically. Climate change and the need to reduce the use of fossil fuels will not only have an impact on the transport sector, but will affect the construction industry, too. The same applies to the other revolution that is currently underway, namely digitalisation, robotisation and Artificial Intelligence. The transition to a carbon-neutral and circular economy in which automation and Big Data will play a far greater role will cost jobs in sectors that are out of step with progress. But it will also create new ones. However, the essential thing is that every European must be able to count on the fact that he or she will not be left to their own fate.

The transition will only have a chance if it is carried by the people and hence only if it is a Right and Just Transition. Unions, socialists and social-democrats have been hammering on that nail for years. This clamour is gradually becoming heard.

A EUROPEAN LABOUR INSPECTORATE NEEDS TO BE ABLE TO CARRY OUT CHECKS ITSELF ACROSS THE WHOLE OF THE EU

Last January, when the European Commission tabled a discussion memo about the transition to a sustainable European economy, a Right and Just Transition played a major part in it. But between word and deed powerful lobbies will also find all sorts of practical objections for preventing the bill to be presented to them. Yet that will be the condition for success. When ordinary workers notice that only they have to pick up the tab for tackling climate change and that they will not be able to share in the benefits of automation and artificial intelligence, the voices of the yellow vests will fade into insignificance compared with the protests that will break out. Se we must remain vigilant to the fact that people are central to the whole transition process, that there is a job guarantee for all of the workers affected, by way of extra training, and that unions will be involved in all of the changes that result from that transition.

Recent years have seen more and more discussion about reforms to our parasitic economic model, changing it to a sustainable one, namely an economy that also offers prospects for the future to our children and grandchildren. Often it is a question of environmental issues, such as pollution, air quality or climate. But sustainability, by definition, is impossible if social sustainability is not included. So, in the radical reforms that are necessary to make our future secure, we must not only work towards a healthy, clean living environment that is in balance with a prosperous economy, but we must also ensure that no one is left behind. Because a sustainable society will always be social, or else it will not happen at

THE INVOLVEMENT OF UNIONS AND OTHER NGOS IN THE EUROPEAN POLICYMAKING PROCESS MUST BECOME THE RULE IN THE FUTURE.

all.

IN THE FUTURE, MULTINATIONALS MUST ONLY BE ALLOWED TO WORK IN EUROPE IF THEY HAVE A EUROPEAN PASSPORT FOR CORPORATE SOCIAL RESPONSIBILITY.

WHEN ORDINARY WORKERS NOTICE THAT ONLY THEY HAVE TO PICK UP THE TAB FOR TACKLING CLIMATE CHANGE AND THAT THEY WILL NOT BE ABLE TO SHARE IN THE BENEFITS OF AUTOMATION AND ARTIFICIAL INTELLIGENCE, THE VOICES OF THE YELLOW VESTS WILL FADE INTO INSIGNIFICANCE COMPARED WITH THE PROTESTS THAT WILL BREAK OUT.

Fractie van de Progressieve Alliantie van
Socialisten & Democraten
in het Europees Parlement

In Europe, more than ten thousand people, working in construction, transport, cleaning or the food sector, are being exploited, receiving only a hunger wage and being employed in inhumane working conditions. The abuse is organized by rogue networks of companies that recruit workers to work on Eastern European wages in Western Europe. In *'Things can always be cheaper'*, Kathleen Van Brempt and Frank Moreels sketch the hard lives of people being exploited as new slaves.

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