

INTERNATIONAL TRANSPORT WORKERS' FEDERATION

ITF Background Paper

The Global Vision for Safe Rates, Safe Roads, and
Sustainable Road Transport

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THE GLOBAL VISION FOR SAFE RATES, SAFE ROADS, AND SUSTAINABLE ROAD TRANSPORT

Crisis on our roads

Around the world road transport workers face severe work pressures due to low-cost tendering practices, unreasonable scheduling, and low rates of pay. These pressures originate with the companies at the top of global supply chains (client companies or 'economic employers') and a business model based on over-reliance on subcontracting and a level of competition that goes beyond unfair to be literally destructive. The result is that drivers are forced to work excessively long hours, drive while fatigued, speed, overload their vehicles, and skimp on maintenance to make ends meet. This makes the roads dangerous for everyone.

Every year, some 1.3 million people are killed and up to 50 million people injured in traffic accidents. Despite making up a small fraction of all vehicles on the road, commercial motor vehicles account for 10 to 22 per cent of all crashes.¹ Annually roughly 600 people die in truck crashes in South Africa², nearly 1000 people in South Korea³, and over 5000 people in the United States.⁴

Without fair standards and strong enforcement, vulnerable migrant workers exploited on lower rates of pay often become targets of vicious xenophobic attacks from other drivers scared of losing their livelihoods and becoming destitute. Workers are pitted against one another while those at the top who are actually responsible for creating a dangerously competitive environment avoid accountability.

Squeezed from the top by pressure from multinational economic employers and from below by bottom-feeding companies that make their profits through illegal and exploitative means, potentially responsible transport operators are forced into cut-throat competition and end up skimping on social and environmental costs or being pushed out of the industry.

Many drivers, particularly those who purchase and are responsible for their vehicles, face crippling debt adding another strain on family and personal lives. These sub-par conditions have led to high driver turnover and shortages in many countries, and yet pay

¹ ILO, 2019. [Guidelines on the promotion of decent work and road safety in the transport sector](#), 1.

² Road Traffic Management Corporation. "Fatal Truck and Bus Crashes in South Africa," March 2023.

³ [KoRoad TAAS Database](#).

⁴ [U.S. Federal Motor Carrier Safety Administration](#)



remains structurally low. Unsustainable conditions mean that women workers in particular have a difficult time entering and remaining in the market, while young workers often avoid the commercial driving profession altogether.

A fair, safe and sustainable road transport industry is possible

It doesn't have to be this way.

A world where travelling by road is safe for everyone, where essential goods and supplies are delivered by workers with decent and safe conditions and where companies cooperate with workers to improving service quality and meeting social and environmental goals is possible.

In such a world, drivers enjoy fair, equal, and safe standards and rights irrespective of their form of employment, nationality, and gender and, therefore are free from dangerous competition. All supply chain actors (including transport, forwarding and client companies) are responsible for complying with and enforcing standards, governments take an active role in regulating for fairness, and the central role of unions in these processes is recognised and supported.

In such a world, women and young workers are attracted to the industry for the benefits it offers including training, good pay, and work-life balance. Such benefits ensure an ample supply of skilled drivers who are able to share the high demand for road services.

A fair, safe, and sustainable road transport industry is possible. This is achievable through global Safe Rates.

Why we need a global campaign for Safe Rates

Every worker deserves to come home safely at the end of the working day. Sadly, in road transport the risk of not making it home is far too high. Road traffic accidents now represent the eighth leading cause of death globally. A disproportionate number of fatal accidents involve commercial motor vehicles. For road transport workers, whose workplace is the motorway, the risk is enormous, not only because they often spend in excess of 60 or 70 hours a week on the road, but due to the size and weight of the commercial vehicles they operate. A crash involving a heavy-duty vehicle is much more likely to result in fatal injury, putting not only workers but all road users at risk.

The physical and mental toll taken on drivers due to their working conditions contributes greatly to health and safety risks. Research has found that truck drivers' long hours of work leads to high blood pressure, cardiovascular disease, and risk of stroke.⁵ Research has also shown that drivers voluntarily reduce working time if they are paid enough to feed their families and pay the bills and are remunerated for non-driving time (such as loading/unloading time, time stuck at border crossings and time waiting in traffic).⁶

⁵ Takahiko Kudo and Michael H. Belzer. 2020. "Excessive Work Hours and Hypertension: Evidence from the NIOSH Survey Data." *Safety Science*, 129.

⁶ Michael H. Belzer and Stanley A. Sedo. 2018. "Why Do Long Distance Truck Drivers Work Extremely Long Hours?" *The Economic and Labour Relations Review*, 29(1), 59–79.



Evidence from the United States, Australia and Korea has proven that fair pay for drivers leads to fewer crashes, improves road safety, and is essential in making the industry more sustainable.⁷ Various studies have found that 1% higher pay can reduce truck driver crashes from between 1 to 3%.⁸ Other studies have demonstrated the connection between long subcontracting chains and road accidents, and shown that enforcing pay standards on the companies at the top of these chains helps reduce subcontracting.⁹

Clearly, safe rates of pay can save lives. But this is not going to happen through goodwill alone.

What are safe rates?

Paying a driver a 'safe rate' means he or she is paid fairly for all labour time and can make enough money to drive safely and still complete his or her work, spend adequate time at home, and take care of his or her family. If a driver owns his or her own vehicle, a safe rate must be calculated to ensure that he or she can cover the costs of purchasing, maintaining, and operating it. This is called 'cost recovery'.

Transport operators must also be able to recover their costs while adhering to fair and safe standards for their drivers. In other words, the price of road transport must be fair, reflecting all social costs.

'Safe Rates system' refers to a legal regulatory framework through which minimum standards for rates of pay and related working conditions are set with the goal of eradicating pressures on drivers to engage in dangerous on-road behaviours. Importantly, Safe Rates systems legally obligate the companies at the top of road transport supply chains to ensure compliance with these standards.

The main principles of Safe Rates systems are:

01. Fair and equal standards for **all** drivers regardless of form of employment (or other differences like nationality or gender).
02. Legally-binding multi-stakeholder bargaining to set standards
03. All supply chain parties, particularly the companies at the top of the chain, are held accountable.
04. Strong monitoring and enforcement
05. Unions are involved in the process of setting, monitoring, and enforcing standards from start to finish.

⁷ For a non-exhaustive list of this research see 'ILO guidelines on the promotion of decent work and road safety in the transport sector', Annex I.

⁸ Michael H. Belzer, Daniel A. Rodriguez and Stanley A. Sedo, 2002. "Paying for Safety: An Economic Analysis of the Effect of Compensation on Truck Driver Safety." Federal Motor Carrier Safety Administration, Washington, D.C.; Daniel A. Rodriguez, et al., 2003. "Effects of Truck Driver Wages and Working Conditions on Highway Safety: Case Study," Transport Research Record, Freight Policy, Economics and Logistics; Truck Transportation (1833), 95-110' Daniel A. Rodriguez, Felipe Targa, and Michael H. Belzer, 2006. "Pay Incentives and Truck Driver Safety: A Case Study," Industrial Labour Relations Review, 59(2), 205-225;

⁹ KOTI, 2022. Safe Rates System: Performance Analysis and Measures for Improvement. Commissioned by the ROK Ministry of Land, Infrastructure and Transport [Korean]; Gwanghun Lee and Taesung Kim, 2017. A Study on the Impact of Korean Trucking Labour Environment on Traffic Accidents [Korean].



Shifting power from capital to workers through Safe Rates

Whether embedded in agreements with transport operators and clients, or in legal regulatory systems, Safe Rates save lives by improving pay and conditions and reducing pressures to drive dangerously.

Even more importantly, however, Safe Rates are a basis to build workers' solidarity and power and use this power to reshape the road transport industry. The fight for Safe Rates brings together workers from different companies, under different forms of employment and of different nationalities who otherwise are forced into competition with one another to fight together for equal standards and a fair, safe and sustainable industry, building power from below.

Safe Rates systems and agreements provide a structure for bargaining with companies at the top of supply chains and embed trade unions in the process of setting, monitoring, and enforcing standards, institutionalising that power, and creating the basis for even wider organising. The success of this strategy can already be seen in countries like South Korea, Australia, Brazil, and Canada.

United in our fight

We are already winning the fight for Safe Rates!

Since the Australian state of New South Wales introduced a Safe Rates system as part of its industrial relations framework in 1979, workers and unions around the world have been fighting for and winning Safe Rates. Safe Rates or similar systems now exist in Australia, Brazil, Canada, and the United States (gig economy-specific). In South Korea a time-limited Safe Rates system operated successfully between 2020-2022 and workers are now fighting to reintroduce the system and make it permanent.

At the global level, road transport unions came together under the ITF to win Safe Rates principles at the International Labour Organisation. Important principles that call for mechanisms for the calculation of sustainable pay standards and enforcement on all supply chain actors are now included in the [‘ILO Guidelines on the promotion of decent work and road safety in the transport sector’](#), which were negotiated and agreed by union, government and employer representatives in 2019.

The ILO Guidelines provide road transport unions in all parts of the world with a framework for lobbying governments and supply chain actors to achieve Safe Rates regulation and agreements. The Guidelines can be used as an organising and educational tool, and for informing members of their rights.

Growing industry and public support

Industry and public consensus on the importance of Safe Rates regulation is growing in countries around the world. For example:

- In New Zealand, government-commissioned research concluded in 2021 recognised the link between safety and pay and the problem of supply chain



pressures on road transport workers.¹⁰ A tripartite committee has been established to implement the recommendations from this report, including defining standards for fair pay, safe hours, and decent work and developing needed regulation. Safe Rates has the support of Transporting New Zealand, the main transport industry association in the country.

- In South Korea all three main trucking industry associations have signed agreements with the Korean Public Service and Transport Workers' Union Cargo Truckers' Solidarity Division (KPTU-TruckSol) jointly calling for a permanent and expanded Safe Rates system. A public opinion poll conducted at the end of 2022 found that 74% of Koreans support the continuation of Safe Rates.¹¹
- In Australia, the Safe Rates system in place in the state of New South Wales since 1979 is widely supported by industry and politicians on all sides of the political spectrum. In August 2022, large road transport client companies including supermarket chains Woolworths and Coles, platform companies such as Uber and DoorDash, major transport operators, industry associations and the Transport Workers' Union (TWU) signed on to a call to action for legal reform to establish a national regulatory body empowered to set and enforce safe and fair standards for road transport workers in both traditional transport operations and the gig economy.¹²

Join the global campaign for Safe Rates

“The competitive business model in the road transport sector is broken and is literally costing lives.”

A global problem needs a global solution. We must build on the momentum already achieved and continue to raise awareness of the crisis in road transport. We must speak with one voice, organise allies in industry, and fight for and achieve Safe Rates in local, national, regional, and global contexts.

That is why the ITF is calling on all road transport unions to join the global fight for Safe Rates and safe lives.

Join the global Safe Rates Campaign by supporting these demands:

Safe Rates systems: Establish new systems and/or strengthen existing systems for setting fair and safe standards for pay and conditions. These systems must engage all supply chain parties, including client companies, and cover all road transport workers irrespective of form of employment, nationality, and gender.

- **A fair price for transport:** Ensure that all road transport workers are paid fairly for all time worked and transport operators and workers who own their

¹⁰ WorkSafe New Zealand, 2021. “Managing Vehicle-related Risks from Supply Chain Pressures,” <https://www.worksafe.govt.nz/research/managing/>.

¹¹ https://mobile.news1s.com/view.html?ar_id=NISX20221209_0002117586

¹² <https://www.twu.com.au/press/major-transport-roundtable-backs-reform-to-set-industry-standards/>



own vehicles can recover their costs without skimping on safety.

- **Strengthened transparency:** Ensure that all road transport workers have access to written labour and/or service contracts that detail fair and safe payment and conditions of work.
- **Active compliance and remedy of violations:** Ensure adequate monitoring and enforcement of standards, including penalty clauses, binding on all supply chain parties (client companies, transport operators, workers in all forms of employment, etc.) Ensure that all road transport workers have access to effective procedures for dispute resolution, which cover and are binding all supply chain parties.
- **Trade union rights:** Recognise the vital role played by democratic trade unions in furthering safety and sustainability in road transport supply chains, ensure that all road transport workers have access to representation by democratic trade unions and facilitate the role of trade unions in worker education, monitoring, and improving health and safety.
- **Global standards:** Implement the ILO Guidelines on the promotion of decent work and road Safety.



ITF Global Safe Rates Campaign

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