



SAFE
RATES
SAVE LIVES



SUPPLY CHAIN SUSTAINABILITY AND SAFE RATES

UNIFOR National Transportation Conference
9 ~ 11 June 2023

Pandemic ➔ Supply chain crisis

RetailWire.

When will supply chains return to normal?

A Normal Supply Chain? It's 'Unlikely' in 2022.

The chaos at ports, warehouses and distribution centers is likely to persist through 2022.

Forbes

Ramen a leg: noodle prices rise as wheat supply goes to pot

16 Jun 2022

The US baby formula shortage is bad luck. It was completely preventable

Matt Stoller

13 Jun 2022

Global supply chain crisis fuels push to local manufacturing as China's appeal dims

9 Jun 2022

INNOVATION

Is Your Supply Chain Ready For The Permacrises?

11 Jun 2022

Return to the 70s: World Bank warns of weak growth and high inflation

7 Jun 2022

Experts expect problems 2024

JUN 24 2022 7:29 AM UNDEFINED EST

TIMES

myFT

Days supply chain problems are becoming the norm



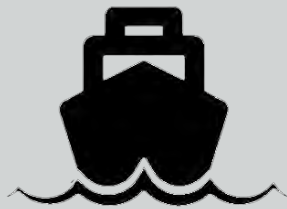
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What is wrong in transport supply chains?

SHIPPING MOVES

80%

OF INTERNATIONAL TRADE



2021

= FIRST GLOBAL SHORTAGE OF SEAFARERS

2026

= SERIOUS OFFICERS SHORTAGE

TRUCKING SHARE OF INLAND FREIGHT:

95% LATAM
75% EURASIAN
67% US



20%

UNFILLED TRUCKING JOBS IN EUROPE & ASIA

9.4%

AIR CARGO GROWTH 2020-21



769,000

NEW AIRCRAFT MAINTANENCE PROFESSIONALS NEEDED BY 2040

7.5%

CAGR

FOR LAST-MILE DELIVERY UNTIL 2024



>6%

AVERAGE PAY FALL IN AMAZON MARKETS

80%

INCREASE AVG TRAIN TONNAGE SINCE 2010



2/3

OF RAIL WORKERS REPORT OUTSOURCING AS SAFETY / LABOUR ISSUE



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Driver “shortages”

26,900 vacancies in Canada trucking (8.7% vacancy rate)

There is no shortage of drivers, only a decent work shortage (shortage of good jobs)

Poor rates/wages and working conditions are the problem



How do we *identify* power in supply chains?



POWER



CUSTOMERS /
CARGO OWNERS



LOGISTICS /
PLATFORMS



TRANSPORT
COMPANIES

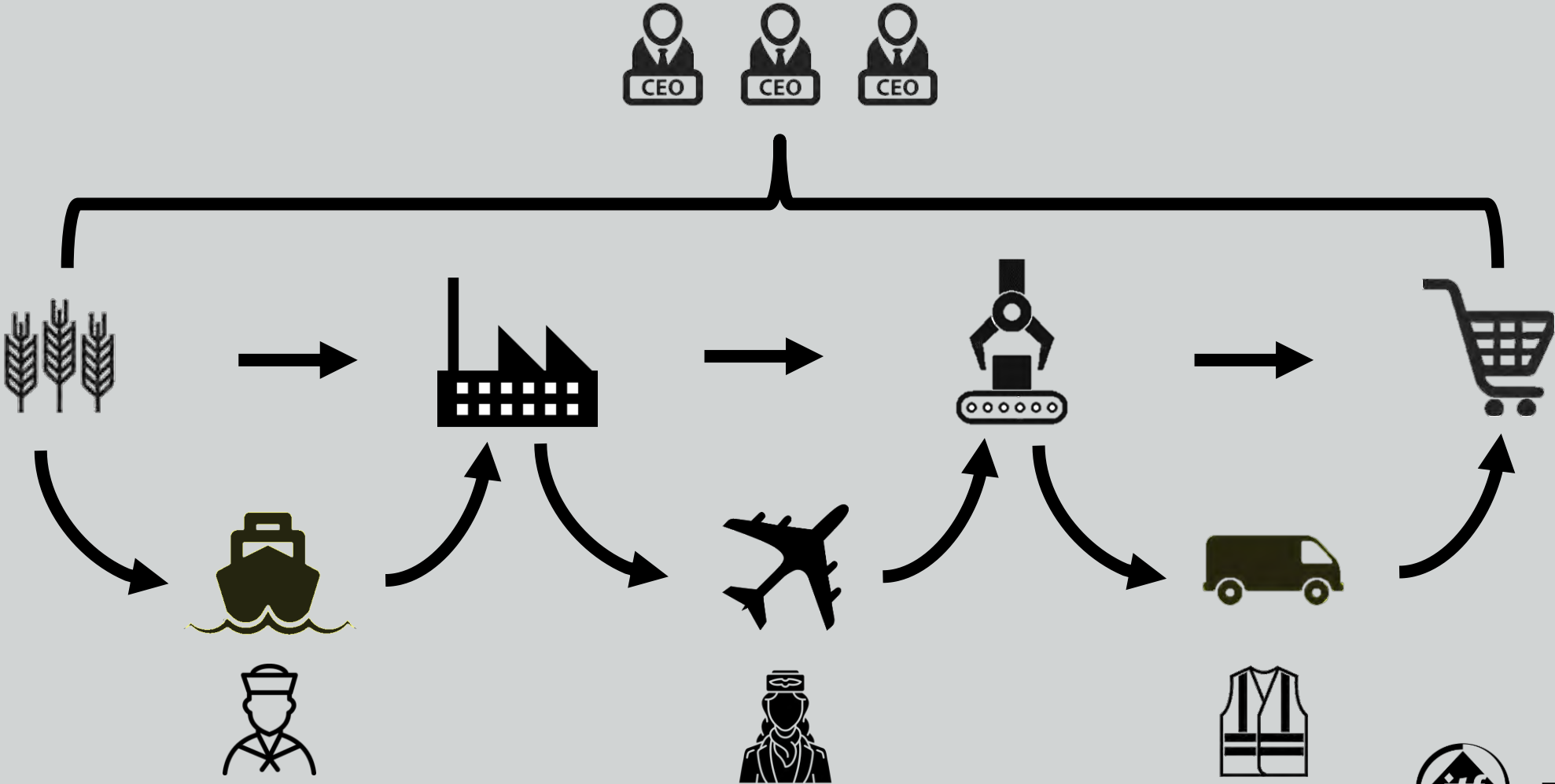


TRANSPORT
WORKERS



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How do we *shift* that power to workers?



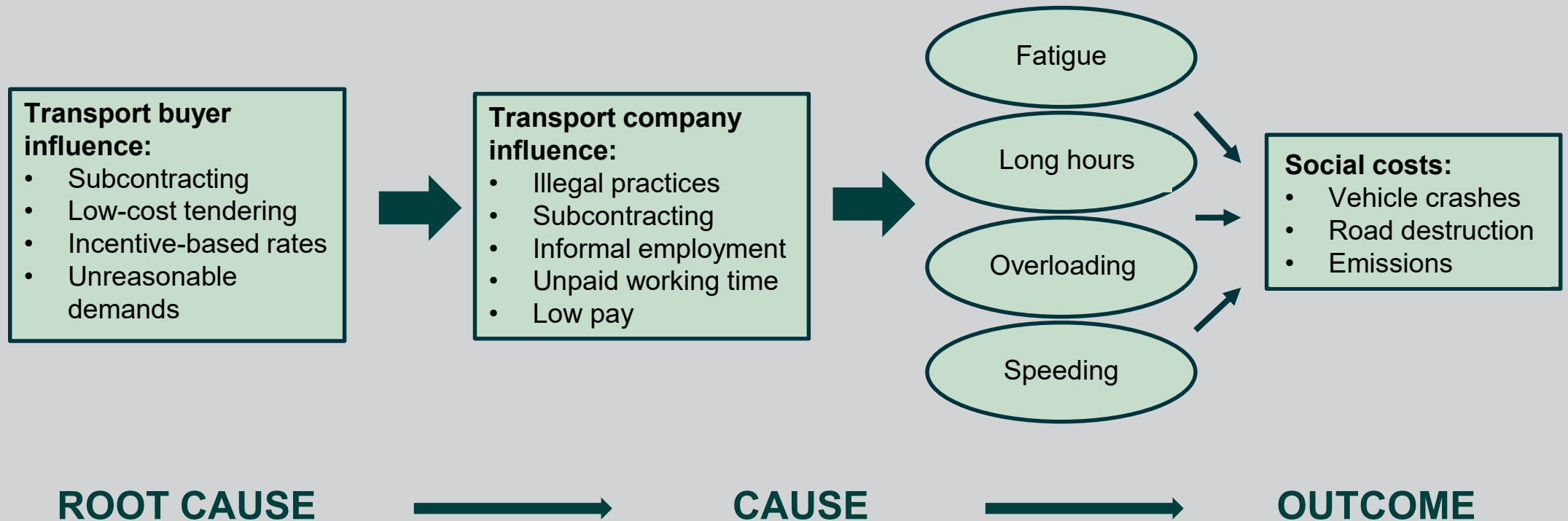
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ITF supply chain cooperation agreements

- Recognition
- Collective bargaining rights
- Commitment to dialogue and cooperation
- Workplace access
- Monitoring of breaches
- Information sharing
- Communication & consultation

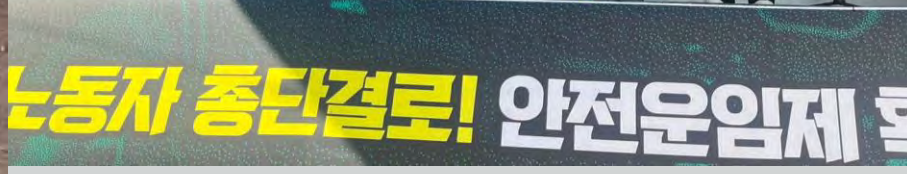


Economic pressures → social Impact



* Reconfiguration of *Quinlan and Wright (2008)*.

Safe Rates save lives globally!



Safe Rates main principles

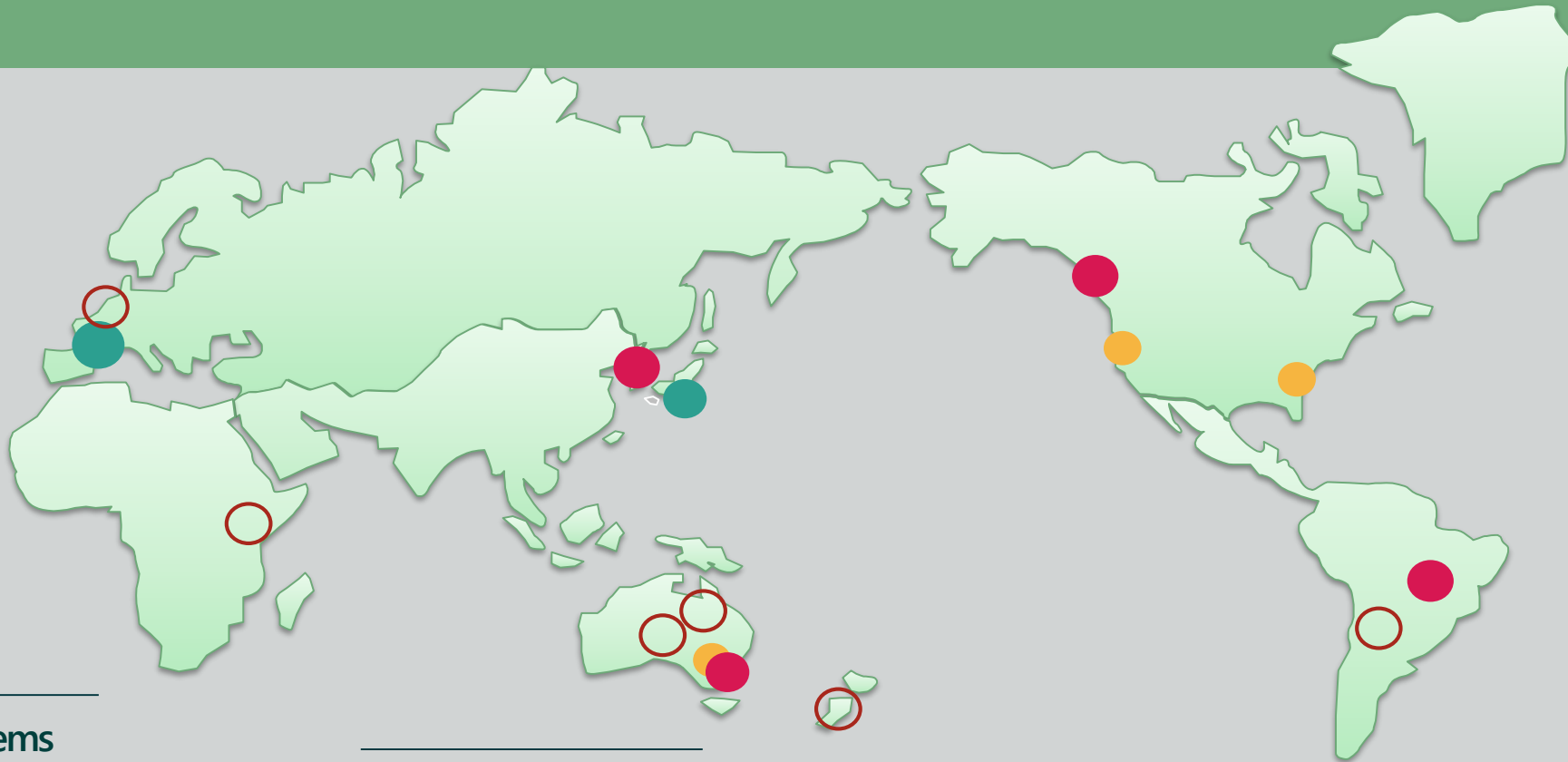


- Fair and safe rates of pay and conditions
- Legally-binding multi-stakeholder bargaining
- Supply chain parties held accountable
- Strong monitoring and enforcement
- Union involvement from beginning to end



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Expansion of Safe Rates globally



Safe Rates Systems

- Korea: Safe Trucking Freight Rates System
- Canada: Vancouver Port minimum rates and licensing system
- Brazil: Minimum Freight Floors
- Australia: NSW Chapter 6

Application to Gig

- US: Seattle TNC Driver Minimum Compensation Standard
- US: NYC App-based Driver Minimum Pay Standard
- Australia: NSW Chapter 6

Guideline Rates Systems

- France: CNR guideline rates
- Japan: Standard Rates System

New Campaigns

- Australia: National, Queensland
- New Zealand: FU
- Belgium: BTB
- East Africa
- Bi-oceanic corridors



Korean Safe Trucking Freight Rates System



- Introduced to “ensure traffic safety by preventing overwork, speeding and overloading”
- In force 2020-22, containers and cement (6.5% of market).
- Working time/month down 9.0%
- Fatigue down 4.8%, sleep up 4.7%
- Fighting for reintroduction and expansion

• 캐나다: 항만컨테이너 운송 최저운임제
• 브라질: 최저운임제
• 호주: 뉴사우스웨일즈주 운임제

Gig 직종

• 미국 시애틀: 플랫폼 노동자 최저보수 기준
• 미국 뉴욕: 호출택시 운전자 최저운임 기준

가이드라인

• 프랑스: CNR 가이드라인
• 일본: 표준운임제도





Australia New South Wales Chapter 6

- In place in NSW since 1979, recently introduced in Queensland
- Covers most freight types, including last mile/gig
- Saved over 205 lives between 1989 and 2021
- Legislation for national Safe Rates system expected in the next few months

안전운임 시스템

- 한국: 화물자동차안전운임제
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Gig 적용

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Canada Vancouver Port Minimum Rates System



OFFICE OF THE
BRITISH COLUMBIA CONTAINER
TRUCKING COMMISSIONER



- Introduced for “sustainable growth, equity, and stability in the drayage sector
- Independent Body (OBCCTC) in charge of setting standards, enforcement, dispute resolution
- Rates standards for employees, subcontracted workers, owner drivers
- Active enforcement and heavy fines (up to CAD 500,000)
- Industry advisory body
- Gate reservation system and penalties for wait times

• 호주: 뉴스우스웨일즈주 운임제

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Building workers' power



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Global Safe Rates Campaign Launch



ITF

Moving the
World
Forward

WE MOVE THE WORLD.

WWW.ITFGLOBAL.ORG

