

Tackling Driver Shortage in Europe



Foreword



Boris Blanche

Managing Director, IRU

Regardless of where you're reading this, you'll be surrounded by objects that have seen the inside of a truck. Trucks are the lifeblood of every national economy and in our multimodal/intermodal world, road transport is the first and last leg of almost every journey. Yet in countries all across the globe there is a pervasive challenge to address: an acute shortage of commercial drivers. This deficit extends across the freight and passenger sectors, with bus, coach and truck drivers in alarmingly short supply. And the problem is only getting worse. IRU decided to find out why we are seeing this shortage of drivers. What are the barriers to entering the profession and how can we turn the situation around?

In 2018, IRU, together with its members, created the IRU Task Force on Driver Shortage in order to develop an action plan to tackle the driver shortage. This has resulted in the IRU Road Map on Driver Shortage, which foresees a long-term strategy with multiple measures for the years to come. Last year, we also conducted a study consisting of three surveys. Each survey contained a set of common questions and was shared with truck drivers from 10 European countries, transport companies from 19 nations, and international organisations involved in road transport and international trade. 406 responses were collected altogether.

In addition to commissioning external research, we set up a separate online survey accessible to our members and represented parties. This generated data from five countries in the European Union. This survey will be continued on a biannual basis and extended to other regions beyond Europe in order to monitor trends on a global basis.

Our findings, presented here, offer some surprising insights. Despite the sometimes negative image of the profession, job satisfaction tends to be high. Only 20% of drivers surveyed expressed dissatisfaction with their work, while 50% suggested that they are very or extremely satisfied.

Younger drivers are generally happier than their older colleagues. This begs the question – why is the driver demographic ageing? And why is the profession eschewed as an undesirable life and career choice?

Armed with this data, it is clear there are some quick wins for the industry. For instance, we are seeing plenty of innovation in truck design which should make the work more accessible to a broader demographic. Similarly, the industry needs to redesign infrastructure and training environments to ensure all attendees feel at ease, regardless of their gender, age or background. In many countries, prospective truck

drivers are not permitted to start their careers until they reach 21 years of age, which discourages younger people hoping to join the profession. Looking for ways to change this will mean more young people have the opportunity to become drivers. Driver safety is another concern that requires a joint effort from both the public and private sectors to develop more 'safe and secure' parking areas that comply with well-defined standards.

Road transport plays a crucial role in facilitating mobility and economic growth, as well as allowing consumers access to the belongings that we cherish and enjoy every day. As an industry, we have a duty to promote and guarantee this growth. The first step on that journey needs to be tackling the driver shortage challenge head on.

By working together to harness innovation, improve safety and guarantee security, we can have a positive impact in stemming the shortage of commercial drivers. Through an increased focus on widening the talent pipeline and reducing churn, we will see a robust future transport sector able to preserve the values and aspirations we share for our families, communities and livelihoods.



Within a shifting and increasingly challenging global framework, the European road transport sector is facing its most acute professional driver shortage in decades.

In 2015, 3.2 million people in Europe were employed as truck drivers; 300,000 less than in 2008¹. And that number continues to fall. In order to gauge the magnitude of this problem, IRU has conducted a study and several surveys with transport operators and drivers in 2018 and 2019.

Road transport is the backbone of the global economy and the driver shortage will not only affect transport operators but the entire supply chain mobility and, ultimately, society as a whole. The driver shortage could lead to a disrupted economy and higher prices for consumers, while goods deliveries could be hampered and people may face interrupted and inefficient mobility patterns.

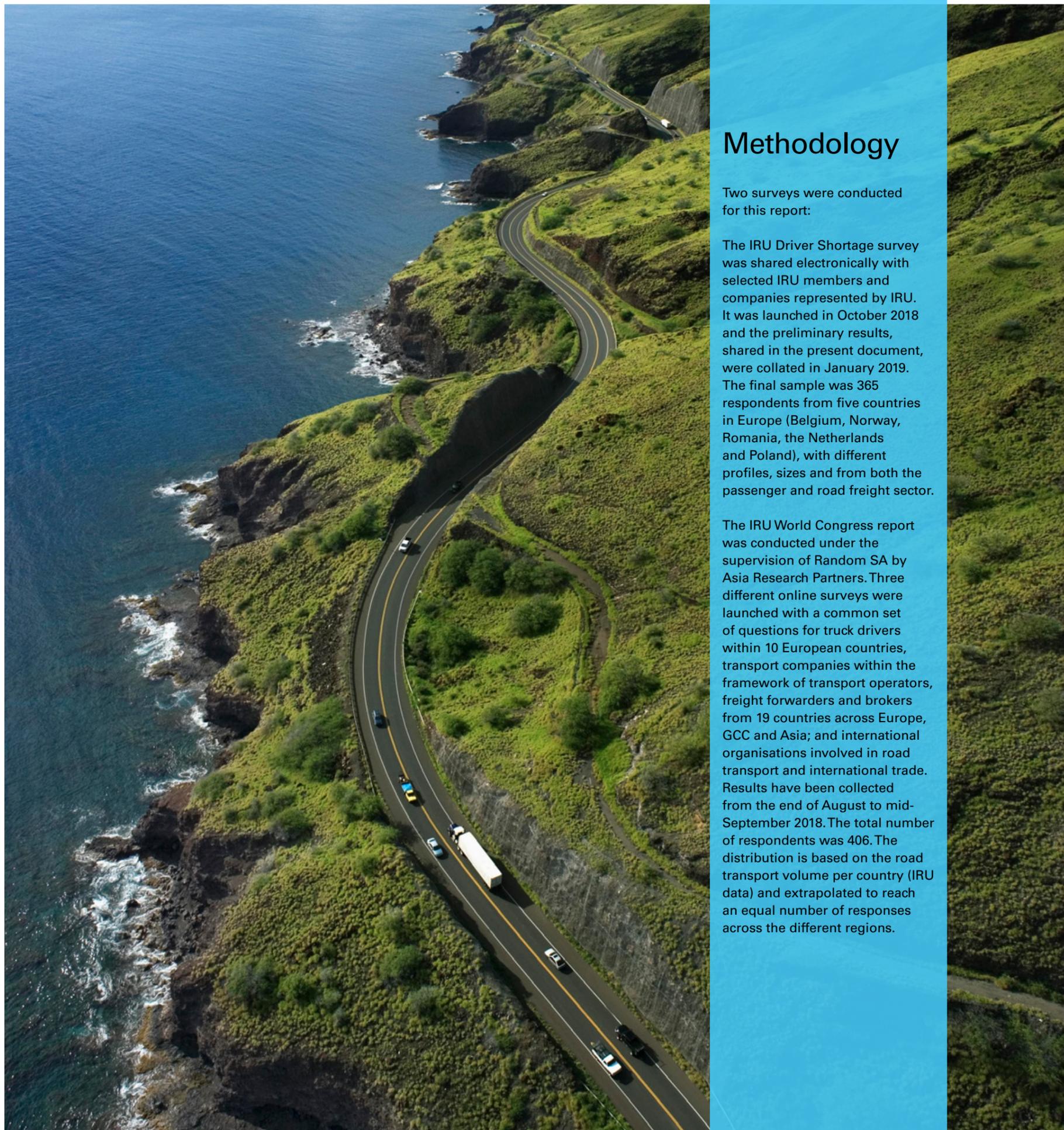
This report consolidates the first findings from IRU's ongoing research into the driver shortage across Europe and identifies its barriers. It also presents the actions proposed and implemented by IRU to understand and tackle the problem.

Methodology

Two surveys were conducted for this report:

The IRU Driver Shortage survey was shared electronically with selected IRU members and companies represented by IRU. It was launched in October 2018 and the preliminary results, shared in the present document, were collated in January 2019. The final sample was 365 respondents from five countries in Europe (Belgium, Norway, Romania, the Netherlands and Poland), with different profiles, sizes and from both the passenger and road freight sector.

The IRU World Congress report was conducted under the supervision of Random SA by Asia Research Partners. Three different online surveys were launched with a common set of questions for truck drivers within 10 European countries, transport companies within the framework of transport operators, freight forwarders and brokers from 19 countries across Europe, GCC and Asia; and international organisations involved in road transport and international trade. Results have been collected from the end of August to mid-September 2018. The total number of respondents was 406. The distribution is based on the road transport volume per country (IRU data) and extrapolated to reach an equal number of responses across the different regions.



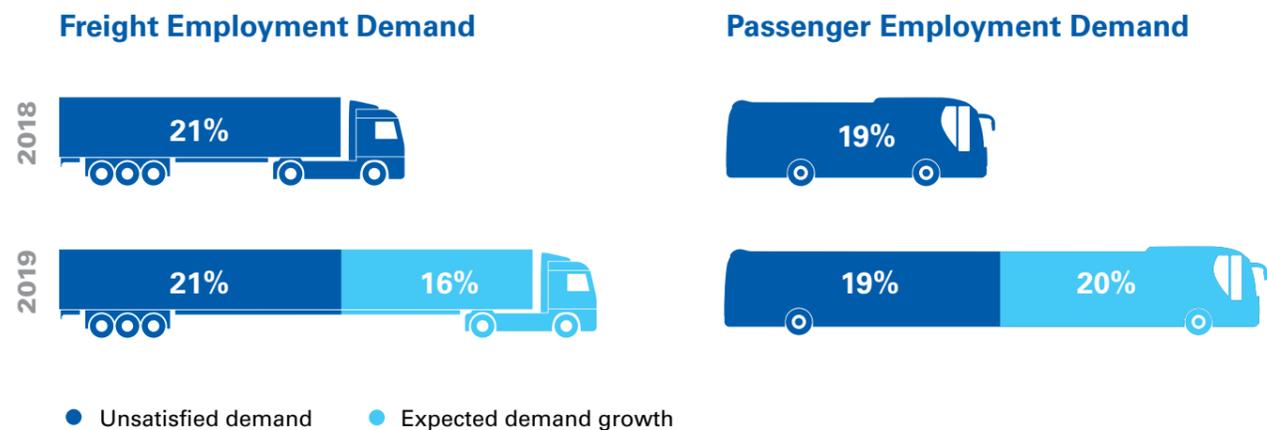
There is an acute need for drivers in the freight and passenger transport sectors

The European freight and passenger transport sectors are struggling to fill available driver positions within different categories. **In the road freight transport sector, the supply of drivers currently meets an employment demand of 79%, leaving a visible driver shortage of 21%, or a fifth of available positions.**

For the bus and coach sector, there is 81% supply, or a driver shortage of 19%. Automation is expected to fundamentally change the nature of the driving profession and might help fill in some existing gaps, but it will not significantly alter the high demand for professional drivers.²

The impact of the technological revolution will provide new opportunities to change and improve the nature of the job and in the process increase its attractiveness.

Unsatisfied demand and expected demand growth for drivers in freight and passenger employment



In order to get an insight into specific national European contexts, IRU took a deeper look at the situation in a few key countries

- The average age in the **German** transport sector is over 47. Some 40% of the truck and 55% of bus driver workforce are expected to retire by 2027, creating a shortfall of around 185,000 drivers.³
- In **Belgium**, 19% of the total available positions for bus drivers remained vacant as of December 2018. Belgian bus operators estimate that the needs of the industry will require them to hire 28% more drivers than current levels, resulting in almost a 50% driver shortage for the sector.
- In the **UK**, the shortage is estimated to be growing at a staggering rate of 50 drivers per day.⁴
- In 2018, truck companies in **Romania** encountered persistent difficulties in filling driver positions – they faced a driver shortage of 37%. When asked about plans for growth in 2019, they indicated that 32% more drivers would be needed. This means that a driver shortage of almost 70% can be expected if the 2018 shortage persists.
- Truck companies in **Norway** estimate that in 2019, according to their future plans and operating needs, the demand for drivers will increase by 12%. Combined with the current 22% vacancy rate, this will increase the industry's driver shortage to 35%.⁵

The road transport sector needs to tackle the driver shortage head on and get to the root of the problem.



55% of bus drivers in the German transport sector are expected to retire by 2027

21% of bus driver positions in Belgium remain vacant since December 2018

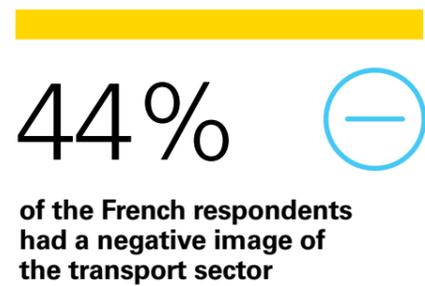
Key causes of the driver shortage

Several key factors are causing the shortage of professional drivers in the transport sector.

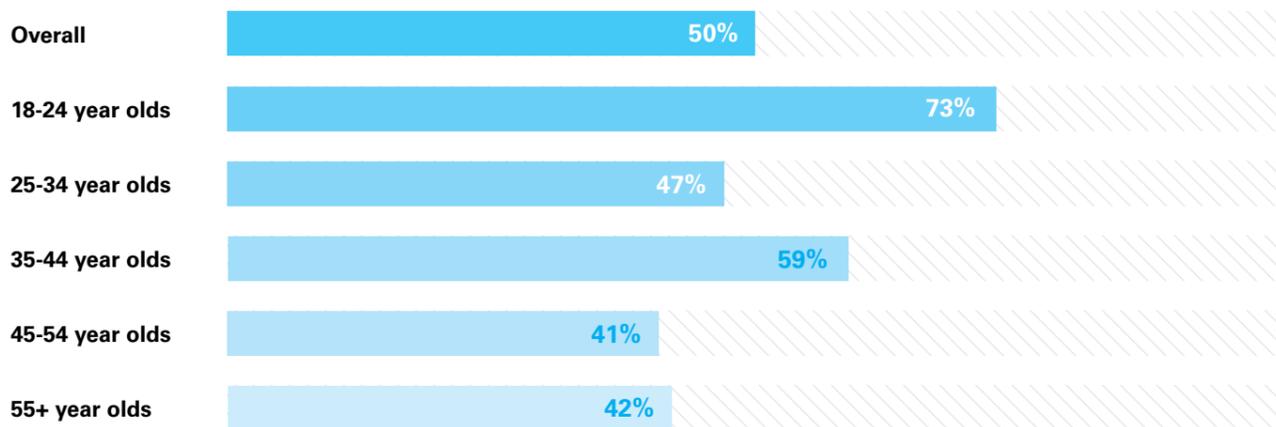
1. Image of the sector

The sector is suffering from an image problem. **The public perception of the road transport industry – particularly the profession of bus, coach or truck driver – is negative.** In 2012, the French Federation of Road Transport (FNTR) conducted a public opinion survey which showed that while 44% of the respondents had a negative image of the sector, 98% considered the road transport sector a key contributor to the French economy.⁶

The worsening driver shortage is increasing the public perception that working in the road transport industry is undesirable. However, a study among professional European truck drivers conducted by IRU in 2018, suggests that the reality could be somewhat different.⁷ Contrary to popular assumptions, drivers across Europe tend, in fact, to have high job satisfaction, with half (50%) of drivers stating that they are “very” or “extremely” satisfied with their work, and only 20% expressing dissatisfaction.



Younger truck drivers are significantly more satisfied with their jobs than those aged 45+

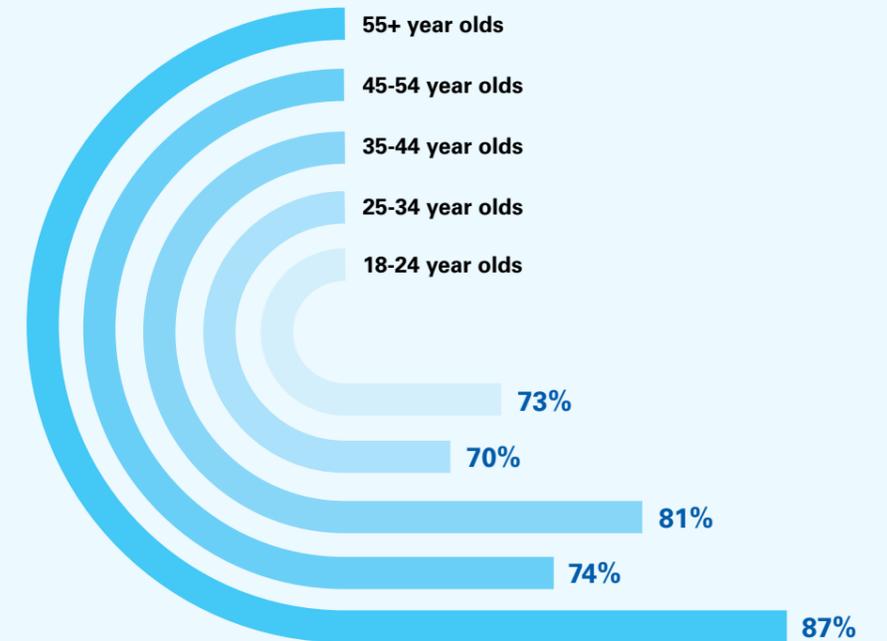


2. Working conditions

While job satisfaction is high, life on the road does not come without challenges. For long-distance drivers across Europe, sub-optimal working conditions and long periods away from home are seen as the biggest barriers deterring people from entering the road transport profession.

According to the IRU study, 87% of drivers over 55 and 73% of drivers under 25 indicated that being required to spend long periods away from home was critical to explaining driver shortages in long-distance transport. Moreover, respondents said that working conditions should be enhanced by increasing security, providing well-equipped rest zones and offering more flexible working hours.

Drivers who consider spending long periods of time alone and away from home as the reason for the driver shortage



Drivers indicated that being required to spend long periods away from home was critical to explaining driver shortages in long-distance transport

3. The challenge of attracting female drivers

Security is a primary concern for female drivers, who are hugely underrepresented in the road transport industry, making up a mere 2% of the European driver population.⁸

Both female and male drivers across Europe recognise the need for a gender balance and believe that bringing more women drivers into the industry would significantly help to improve the image and solve the driver shortage. Moreover, research has confirmed that, from the perspective of overall improvement and sustainability, gender diversity in the workforce benefits everyone and that gender-balanced companies usually perform better.⁹

Better security and well-equipped rest zones (showers, separate toilets for men and women, healthy food, and safe sleeping zones) are particularly valuable measures to attract and retain truck drivers, especially women drivers.



Female drivers make up just 2% of the European driver population in the road transport industry.

Top reasons for the driver shortage among female drivers



80%
Difficult working conditions



67%
High cost to obtain the driver's license



65%
Complex regulatory requirements (certification)



63%
Poor image of the profession

4. An ageing labour force

Besides the gender gap, the industry also lacks a diversified workforce representing all segments of society, and is contending with an ageing labour force in which the average age of a professional driver in Europe stands at around 50 years old. **This demographic imbalance is set to increase in the coming years.** According to the Belgian Federation of Bus and Coach Operators (FBAA), the average age of Belgian bus drivers is increasing by one additional year every two years.

50 years

The average age of a professional driver in Europe



80% of transport operators and truck drivers believe that the introduction of special reward schemes for drivers would serve as an attractive incentive.



5. Attracting young talent

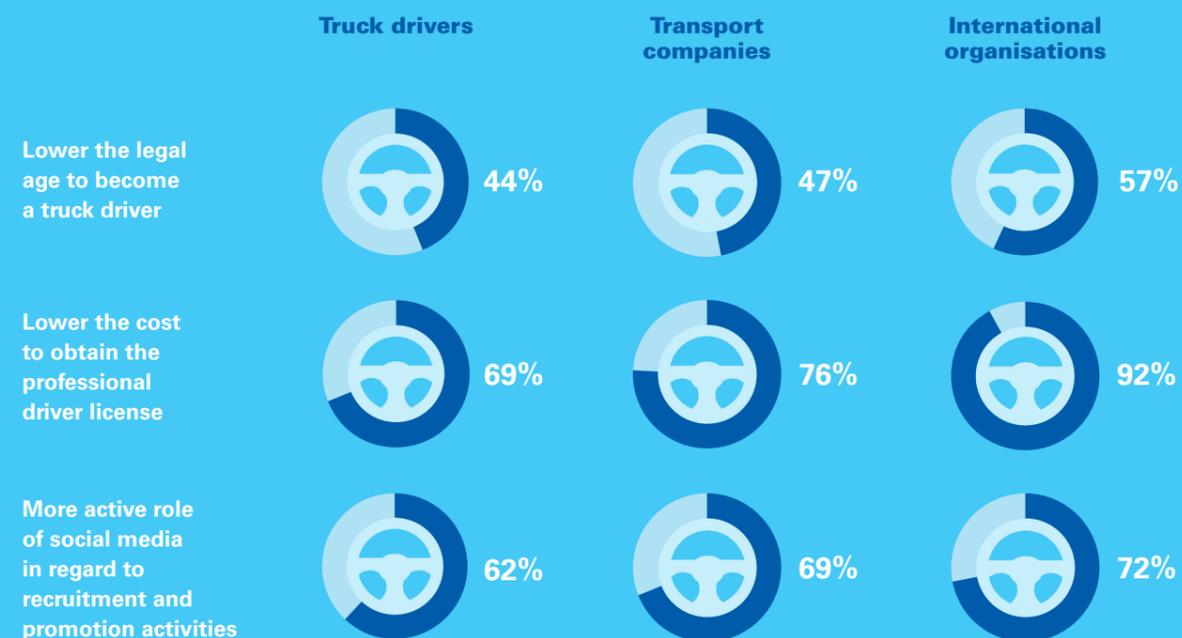
While the IRU study has shown that young drivers have some of the highest levels of job satisfaction compared to their older colleagues, there is still a severe lack of young people entering the profession. Despite very high youth unemployment in much of Europe, young people show little interest in road transport jobs. Moreover, strict legal impediments exist in many countries that prevent young people from joining the profession. In Germany, for example, while young people are required to select a career path by the age of 16 or 17, bus and coach drivers have to be at least 21 before they can enter the profession. Therefore, most young people are already on alternative

career paths before they reach the legal age to qualify as drivers. Furthermore, the cost of obtaining the relevant driver qualifications can be steep, as high as £3,000 in the UK, which serves as another major deterrent to potential candidates.

Among young drivers (18-24 years old), the prevailing conclusion to tackle driver shortage was that a more active role on social media to recruit new talents to the industry would be beneficial. Moreover, technological developments in the transport industry, including automation, might open up new opportunities to attract a new demographic as new skill sets will be required and the nature and pace of work will evolve.

International organisations, however, also highlight the importance of regular professional skills training to attracting and retaining drivers. More than 80% of transport operators and truck drivers believe that the introduction of special reward schemes for drivers would serve as an attractive incentive.

Proposed solutions to attracting more young talent into the industry



Tackling the driver shortage – the IRU action plan

The driver shortage is not only a problem for the road transport industry, it is affecting the entire economy, mobility and trade. IRU, therefore, has made driver shortage one of its key priorities for 2019.

In close cooperation with its members, IRU has developed an action plan, the IRU Road Map on Driver Shortage, which sets out a series of short, medium and long-term measures designed to:



1. Improve the image and public perception of the industry

The image of the sector and the professional status of drivers must be raised. A joint effort, together with a wide range of external stakeholders and industry partners, is needed to address public misperceptions and negative impressions.



2. Join forces to improve working conditions

The road transport industry, including all stakeholders in the supply chain, needs to work together to address working and social conditions in the sector. The treatment of drivers should be improved, and adequate and sufficient infrastructure and facilities must be provided.



3. Attract a new, young and diverse workforce

Increasing the employment of women and youth is important. A more open and inclusive recruitment policy can help attract a more diverse workforce in the transport sector.

The current reality and latest figures show that the industry is severely affected by a lack of drivers and needs to take remedial action

IRU has already started implementing a number of short-term actions, including the regular collection of solid company data, to establish basic facts and monitor trends. Initially the statistical survey was only conducted in representative countries in the European Union, however, it will be extended to several other regions in the coming year. IRU has also launched a joint initiative with the European Shippers Council (ESC) to develop common principles, for example in the form of a charter, to improve the treatment of drivers at delivery sites.

Moreover, IRU has established an expert group, to reflect on driver training legislation and its effectiveness and alignment with current and future needs, as well as on existing barriers for young candidates to become professional drivers, such as distance limitations and drivers' minimum age.



For the coming years, driver shortage will remain high on IRU's agenda. Several planned medium and long-term actions include:

- Launching a strategic industry reflection on the future of the sector, including future jobs and labour patterns;
- Establishing partnerships with educational institutions to develop teaching toolkits in order to raise awareness of the opportunities in the road transport sector amongst children and youngsters;
- Addressing the lack of gender-balance in the sector and setting-up a Women in Transport Network;
- Creating awards such as best female drivers and best performing companies in terms of recruitment, inclusiveness and retention.

The driver shortage is a complex issue with a number of possible solutions. The problem is global but solutions and actions will, in many cases, be regional, national and local. IRU and its members will therefore work together with all concerned public and private stakeholders such as national governments, local authorities, social partners and industry partners to find the right solutions. By joining forces, we can take action to prevent further damage to the industry and society as a whole.

References

1. International Transport Forum, Managing the Transition to Driverless Road Freight Transport, 2017 - <https://www.itf-oecd.org/sites/default/files/docs/managing-transition-driverless-road-freight-transport.pdf> 2. IRU conducted an online driver shortage survey with the support of members and represented parties. Within a period of collection from October 2018 to February 2019, 365 responses were collected, from 5 different countries within the European Union. Therefore, the data here presented corresponds to a proportional sample of the road transport sectors considered. The online survey will be conducted on a biannual basis, to establish basic facts and monitor trends. 3. <https://www.iru.org/what-we-do/network/driver-portal/problem> 4. Traffic Commissioners' Annual Reports 2016-17 - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/663189/2016-to-2017-traffic-commissioners-annual-report.pdf 5. The above data comes from the IRU driver shortage survey, conducted from October 2018 to February 2019. 6. FNTR, L'image du transport routier de marchandises, 2012 - http://www.fntr.fr/sites/default/files/conference-presse-ifop-fntr-310112_1.pdf 7. IRU conducted a study under the supervision of Random S.A. by Asia Research Partners collecting the results from the end of August to mid-September 2018. The study consisted of 3 surveys with a set of common questions applied to truck drivers in 10 European countries, transport companies from 19 countries across Europe, and international organisations involved in road transport and international trade. The number of respondents stood at 406, equally balanced between the countries selected, based on their road transport volume per country. 8. International Transport Forum, Managing the Transition to Driverless Road Freight Transport, 2017 - <https://www.itf-oecd.org/sites/default/files/docs/managing-transition-driverless-road-freight-transport.pdf> 9. The European Institute for Gender Equality (EIGE) recently published the report entitled Economic Benefits of Gender Equality in the European Union: How closing the gender gaps in labour market activity and pay leads to economic growth.

Contact details:

16, chemin de la Voie-Creuse,
1211 Geneva 20,
Switzerland
Tel: +41-22-918 27 00
Fax: +41-22-918 27 41

iru@iru.org