

# **The digital revolution and the transport labour market**

**Hall 2, Level +1**

**Thursday, May 19, 2016,**

**09:00 - 10:30**

This session explored the impacts the digital revolution is having on the transport sector. New business models involving novel data sources and analytics are enabling the provision of innovative, more personalised transport services and improved efficiency and energy consumption. Despite these potential benefits, this paradigm shift in mobility risks having negative impacts on the transport labour market and conventional business models for transport services. These trends are likely to continue and intensify, thus suggesting that significant labour market challenges lie ahead.

The emergence of transportation network companies providing a platform for matching drivers and passengers and of other, less formal, ride sharing approaches, as well as of apps for multi-modal trip planning and booking are revolutionising how mobility is provided. The sector needs to be prepared for the disrupting effects of novel mobility solutions, where new players are rapidly entering the market, challenging the status-quo of traditional public and private transport. The future transport and mobility service workforce will then need to be more flexible. It may also require additional new IT-related skill sets.

The discussion covered how policy makers can best respond to the impacts of the digital revolution on transport labour markets to ensure that the potential benefits are locked in whilst avoiding negative effects. In particular, how can the transition to the workforce of the future be facilitated, how can policies support efforts to ensure that the transport workforce is equipped with the right skill sets, and what role does education play in this? Moreover, how can entrepreneurship, that drives greener and more inclusive transport, be encouraged, including funding of R&D and start-ups; and what regulatory and legal frameworks will be needed to protect employees, while ensuring the economic and societal benefits the digital revolution promises?

From the transport worker's point of view the classification of workers has become important to industrial relations. Transportation network companies (TNCs) class their drivers as "partners" or "contractors". As they are not classified as employees, drivers do not enjoy basic labour and social security rights. The issue of drivers' employment status has been scrutinised by regulators in different parts of the world and has led to several legal challenges. Ensuring good industrial relations are embedded in the transition to the workforce of the future is a major challenge.

The road transport industry is confronted with a considerable driver shortage (e.g. in Germany the industry will be short of 150 000 drivers over the next 10 years). The digital revolution in the transport market, particularly the emergence of autonomous vehicles, might address this shortage in long distance road transport but drivers will need to be equipped with the right skill sets through tailored training programmes provided by governments and industry in partnership.

Digital platforms can play the role of bringing together end consumers and transport providers, using the power of digitalisation to enable new user experiences and create networked mobility. This also provides the chance for transport providers to access new customers, not just digital natives and young people used to doing everything with their smartphone, but occasional users of public transport, tourists in short all travellers.

### **Quotes:**

New players (such as TNCs) are catalysts for change (Randolf Woehrl)

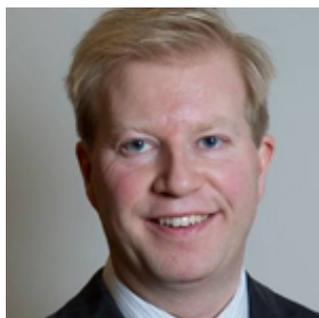
Making bigger hurdles is not the solution (Steve Cotton)

Protect the worker not the job (Marten Blix)

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**Speaker****Mårten Blix**

Research scholar

**Research Institute for  
Industrial Economics**

Mårten Blix's research interests centre on digitalisation and its effects on the economy, financing and efficiency of public welfare systems. His current work includes research examining the macroeconomic consequences of changing microfoundations driven by digitalisation and technical change and the effects on the labour market from digitalisation, especially on employment and income distributions.

**Speaker****Stephen Cotton**

General Secretary

**International Transport  
Workers' Federation**

The International Transport Workers' Federation is a global federation of transport workers' trade unions, founded in 1896. The Federation counts around 700 member organisations in 150 countries, representing a combined membership of 4.5 million transport workers.

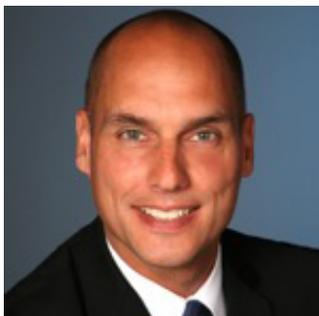
**Speaker****Christian Labrot**

President

**International Road  
Transport Union (IRU)**

The IRU is the world road transport organisation, upholding the interests of bus, coach, taxi and truck operators to ensure economic growth via the sustainable mobility of people and goods by road worldwide. Christian Labrot was appointed Managing Director of BMW in 1990 and became Secretary-General of the German Federation of Economics, Transport and Logistics in 1995.

### Speaker



**Randolf Wöhrl**

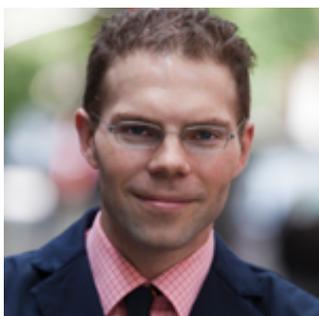
Head of Strategic  
Partnerships

**moovel Group GmbH**

At moovel, a Daimler AG subsidiary, Randolph Wöhrl's focus is on shaping the future of mobility through strategic alliances with various partners. He has previously worked in the fields of carsharing and digital parking as well as in the satellite industry.

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### Moderator



**Greg Lindsay**

Moderator

**New Cities Foundation  
Senior Fellow**

At the New Cities Foundation, mobility expert Lindsay leads the Connected Mobility Initiative, addressing the need for cities worldwide to find viable mobility solutions of the future. He is a journalist, urbanist, futurist and speaker.