

## Sustainability of driver remuneration in the context of labour mobility

Milos Poliak<sup>1,\*</sup>, Adela Poliakova<sup>2</sup> and Kristian Culik<sup>3</sup>

<sup>1</sup> University of Zilina, Univerzitna 1, 01026 Zilina, Slovakia, milos.poliak@fpedas.uniza.sk

<sup>2</sup> University of Zilina, Univerzitna 1, 01026 Zilina, Slovakia, adela.poliakova@fpedas.uniza.sk

<sup>3</sup> University of Zilina, Univerzitna 1, 01026 Zilina, Slovakia, kristian.culik@fpedas.uniza.sk

### Abstract

The contribution deals with the problem of labour mobility in the field of road transport and driver's remuneration. There is a valid free movement of goods and labour in the European Union. There is employed a lot of drivers in companies in other countries of the European Union in the field of road transport. Through the implementation of national specifications, mainly minimal wage, the member states are limiting the common free market. In the first part, the contribution identifies problems of common market depending on drivers' remuneration. An undesirable result of national specifications is letterbox transport companies uprising. In order to reduce costs, such companies pay not only taxes but also driver insurance. The next part of the paper deals with the own research of driver remuneration carried out. An aim of this contribution is to prove that the sustainability of the free market in the European Union is possible only if no national protection measures for own transporters are accepted.

**Keywords:** transport, sustainable, mobility.

Received on 06 August 2021, accepted on 19 August 2021, published on 25 August 2021

Copyright © 2021 Milos Poliak *et al.*, licensed to EAI. This is an open access article distributed under the terms of the [Creative Commons Attribution license](#), which permits unlimited use, distribution and reproduction in any medium so long as the original work is properly cited.

doi: 10.4108/\_\_\_\_\_

### 1. Introduction

At its inception, the European Union defined a number of principles that have greatly simplified the business of road freight transport. The free movement of goods, the free movement of labour and the free movement of finance have accelerated vehicle turnover. The effect of the higher realized performance lies in the fact that even with the increase of freight inputs of carriers, the price for transport grows much more slowly. Although it is the single market business in one customs territory, there are restrictions that distort the market. They are based on the violation of regulations by creating letterbox companies. Their aim is to bypass the carrier's tax liability.

The aim of this paper is to identify ways of market distortion in road transport business from the view of the sustainability of road transport business. Ways of creating letterbox companies are specified in the first part of the

article. The aim is to verify whether the creation of letterbox companies is only related to tax evasion or social dumping. The next part is focused on the employees' remuneration policy of transport companies. The article also aims to answer the research question: Is the establishment of letterbox transport companies connected with social dumping and driver remuneration?

### 2. Literature review

International road transport operators operate in many countries and therefore they often consider where it is best to register their vehicles or employ their staff. Differences in social and tax laws and regulations across Europe create competitive differences that encourage and motivate carriers from countries with high taxes to set up companies in Central and Eastern Europe without changing their business [1]. The first signs of the practical circumventing of the rules through the use of foreign subcontractors appeared in the late 1980s.

\*Corresponding author. Email: [milos.poliak@fpedas.uniza.sk](mailto:milos.poliak@fpedas.uniza.sk)







