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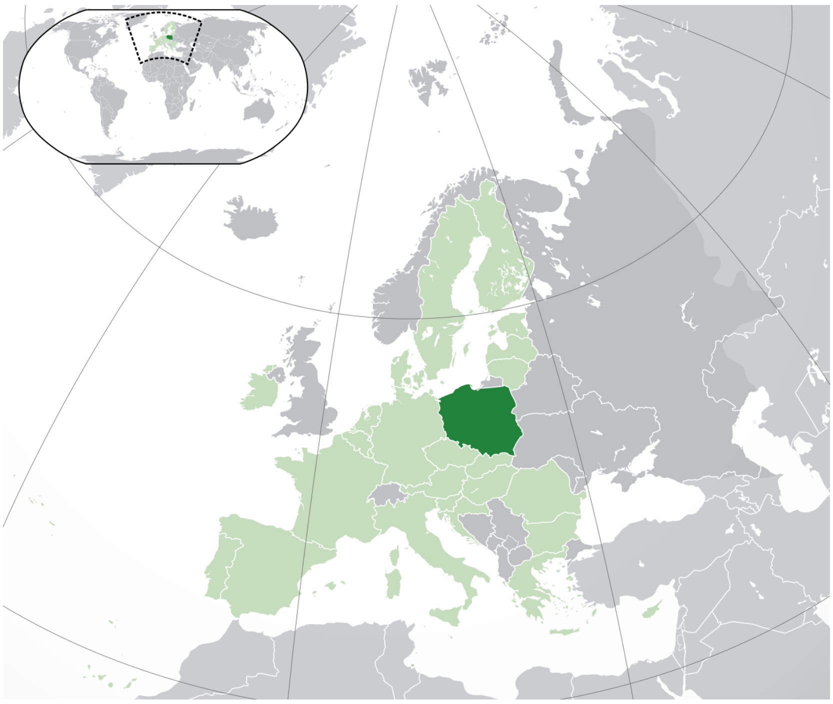
The Polish road freight transport sector in 2019



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The Polish road freight transport sector in 2019

Following on the Polish RFT sector monograph published in 2017,
this 2019 study aims to update the flag's activity statistics as well as
the standard operating conditions and costs of a 40-tonne HGV operating internationally.

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The coverage map is taken from https://commons.wikimedia.org/wiki/File:EU-Poland.svg

ABSTRACT

A leader in the European market, the Polish flag has been ranked first in international activity since 2007. As for total activity, Poland competes for first place with Germany. However, the changes already reported in 2017, particularly in the organization of work, are being confirmed. Polish hauliers face recruitment difficulties, as Polish drivers are gradually abandoning the profession. The latter prefer medium-distance international trips allowing them to return home every two weeks. The average annual mileage of a Polish driver decreased, from 128,000 km per year in 2017 to 126,400 km per year in 2019. Notable feature, the increase in the minimum wage of more than 6 %/year over two years. As for the variable part, it is henceforth calculated according to the number of days spent abroad with different daily travel allowances depending on the countries visited and no longer per kilometer, in accordance with European regulations. In order to retain this workforce, hauliers do not hesitate to grant the maximum amount of daily travel allowances. In summary, the cost of a driver with a Polish contract increased by +7.4 %/year on average between 2017 and 2019, for a total cost of € 23,575/year in 2019. Always with a view to building loyalty of their drivers, companies make more use of rental contracts, including full-service for their vehicles. This financing method thus enables them to renew their fleet very regularly and to offer recent heavy goods vehicles. The driver cost is not the only one to have experienced inflation since 2017. The toll cost increased by +7.7 % compared to 2017, mainly due to a general increase in tolls in Europe and in particular the Maut in Germany, the main country of transit for the Polish flag. The cost of owning a vehicle is also affected, +10.7 % compared to 2017.

In the end, the cost price, excluding structural costs, of a Polish 40-tonne heavy goods vehicle operating internationally increased, according to CNR calculations, from € 0.70/km in 2017 to € 0.78/km in 2019, rising more than 11.4 %.

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1.1 THE POLISH RFT SECTOR IN 2018 - KEY DATA

STRUCTURE OF THE POLISH RFT SECTOR IN 2018

Structure of the Polish RFT sector in 2018

2018	Goods transported	Tonne-kilometres achieved		Average distance	Vehicle.kilometres achieved
	thousand tonnes	million t.km	%	km	million de vehicle.km
TOTAL	**1,390,184**	**315,874**	**100.0%**	**227**	**21,189**
Domestic transport	1,123,400	114,692	36.3%	102	8,706
International transport	266,784	201,182	63.7%	754	12,482
International transport of goods loaded in Poland	78,287	66,272	21.0%	847	4,312
International transport of goods unloaded in Poland	68,071	59,361	18.8%	872	3,583
Cross-trade	73,868	58,911	18.7%	798	3,485
Cabotage	46,556	16,637	5.3%	357	1,102

Source : Eurostat

Polish road freight transport in the main remains internationally oriented. International activity accounts for almost 64% of the sector's total activity. With an average of more than 750 kilometres, the average distances travelled the long-distance international nature of the Polish RFT sector.

EVOLUTION OF THE POLISH RFT SECTOR

Evolution of the Polish RFT sector in million tonne-kilometres

In million tonne-kilometres	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	AAGR*
TOTAL	**164,930**	**180,742**	**202,308**	**207,651**	**222,332**	**247,594**	**250,931**	**260,713**	**290,749**	**335,220**	**315,874**	6.71%
Domestic transport	71,917	79,207	82,218	89,734	89,013	100,320	96,627	104,679	106,634	120,036	114,692	4.78%
International transport	93,013	101,534	120,090	117,917	133,319	147,274	154,303	156,034	184,115	215,184	201,182	8.02%

Source : Eurostat
*Average annual growth rate

The international activity of the Polish sector is growing faster than its domestic activity. Between 2008 and 2018, there was an average annual growth rate of more than 8% for international RFT compared with nearly 4.8% for domestic RFT. As a reminder, in terms of the European market, the Polish sector has ranked first in international RFT activity since 2007 and as well as emerging as the top RFT sector overall in 2017.

CABOTAGE

Cabotage in Poland

In million tonne-kilometres	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	AAGR
Cabotage in Poland	43	42	181	70	104	68	89	99	175	122	130	11.70%
Peneration rate of cabotage*	0.06%	0.05%	0.22%	0.08%	0.12%	0.07%	0.09%	0.09%	0.16%	0.10%	0.11%	-
Market share of cabotage**	0.08%	0.08%	0.31%	0.11%	0.16%	0.09%	0.12%	0.12%	0.21%	0.13%	0.15%	-

Source : Eurostat
AAGR : Average annual growth rate
*cabotage under foreign flag / total domestic transport (total domestic transport = total domestic transport + cabotage under foreign flag)
**cabotage under foreign flag / (domestic transport for hire or reward of the country + cabotage under foreign flag)

Regarding cabotage carried out by foreign sectors on Polish soil, the volume of activity remains very low and they are struggling to gain a foothold. In 2018, Poland carried out nearly 128 times more cabotage than was carried out on its soil by other national sectors.

Cabotage under Polish flag in the 5 main "cabotaged" countries

In million tonne-kilometres	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	AAGR*
Cabotage under Polish flag	**954**	**2,601**	**3,920**	**3,797**	**5,285**	**7,379**	**8,634**	**9,550**	**12,972**	**17,897**	**16,637**	**33.09%**
in Germany	214	830	1,800	2,140	3,363	4,431	5,878	6,390	9,228	13,117	12,032	49.62%
in France	239	769	886	691	973	1,041	1,105	1,156	1,326	2,145	2,188	24.79%
in Sweden	78	178	191	134	54	407	357	420	503	437	517	20.82%
in the United Kingdom	117	124	212	173	106	195	371	362	561	508	331	10.96%
in Italy	61	217	187	162	143	274	162	215	280	398	362	19.49%
Share of cabotage in Polish transport %	**0.58**	**1.44**	**1.94**	**1.83**	**2.38**	**2.98**	**3.44**	**3.66**	**4.46**	**5.34**	**5.27**	-

Source: Eurostat
*AAGR: average annual growth rate

Polish cabotage alone accounted for nearly 5.3% of the sector's activity in 2018. The number of tonne-kilometres involved in this cabotage activity has risen more than 17-fold in 10 years. Germany remains the main focus of Polish cabotage activity, followed by France. The level of cabotage carried out by the Polish sector in Germany continues to grow, with an average annual growth rate of nearly 50%/year between 2008 and 2018. In terms of tonne-kilometres transported, Poland ranks first among the countries involved in cabotage within the European Union.

1.2. FISCAL AND SOCIAL DEVELOPMENTS IN THE POLISH RFT SECTOR

NOTE ON SPECIFIC TAXATION APPLICABLE TO THE RFT SECTOR

Motor Vehicles tax

This tax is collected by the provinces, which determine the amounts depending on the category of the vehicle and its GVWR within the limits set by the Ministry of Finance. The rates below are typical of those reported during interviews with companies.

In 2019, the axle tax in the province of Krakow was 5,532 PLN per year, i.e. 1,303 euros,[1] for a 40-tonne 5-axle, semi-trailer truck, with pneumatic suspension. This amount consists of two components:

- 3,120 PLN/year (€735/year) for a Euro VI tractor suitable for use with a semi-trailer, with a GVWR greater than 36 tonnes.
- 2,412 PLN/year (€568/year) for a semi-trailer with a motor vehicle with a GVWR greater than 36 tonnes.

[1] Exchange rate on 2 January 2020: 1 PLN = 0.23562 EUR

This tax is paid in two instalments, on 15 February and 15 September.[2].

Tolls

Polish tolls are managed by the ViaTOLL system set up in 2011. When the system was launched, 1,565 km of roads, mainly motorways, were covered. As in 2019, after several extensions, the system included all unlicensed Polish motorways and national expressways, i.e. nearly 3,680 km out of the approximately 424,000 km of roads of all various categories in the Polish road network. All the roads and motorways concerned are listed on the ViaTOLL website.[3]
As a reminder, the ViaTOLL system is mandatory for all motor vehicles with a GVWR of more than 3.5 tonnes.

Vehicle category	Toll rate for 1km traveled on highways and expressways							
	Vehicle EURO class depending on emissions							
	Max EURO 2		EURO 3		EURO 4		Min EURO 5	
	PLN	€	PLN	€	PLN	€	PLN	€
Vehicle with a GVW between 3.5 and 12 tonnes	0.40	0.09	0.35	0.08	0.28	0.07	0.20	0.05
Vehicle with a GVW over 12 tonnes	0.53	0.12	0.46	0.11	0.37	0.09	0.27	0.06
Bus, whatever the GVW	0.40	0.09	0.35	0.08	0.28	0.07	0.20	0.05

Conversion rate as of 2 January 2020 - 1 PLN = 0.2356160376 €

Category of vehicle	Toll rate for 1km traveled on national roads							
	Vehicle EURO class depending on emissions							
	Max EURO 2		EURO 3		EURO 4		Min EURO 5	
	PLN	€	PLN	€	PLN	€	PLN	€
Vehicle with a GVW between 3.5 and 12 tonnes	0.32	0.08	0.28	0.07	0.22	0.05	0.16	0.04
Vehicle with a GVW over 12 tonnes	0.42	0.10	0.37	0.09	0.29	0.07	0.21	0.05
Bus, whatever the GVW	0.32	0.08	0.28	0.07	0.22	0.05	0.16	0.04

Conversion rate as of 2 January 2020 - 1 PLN = 0.2356160376 €

Source: ViaToll

Excise duty on commercial diesel fuel

In accordance with Directive 92/12/EC and 2008/118/EC, Poland has instituted an excise duty system.

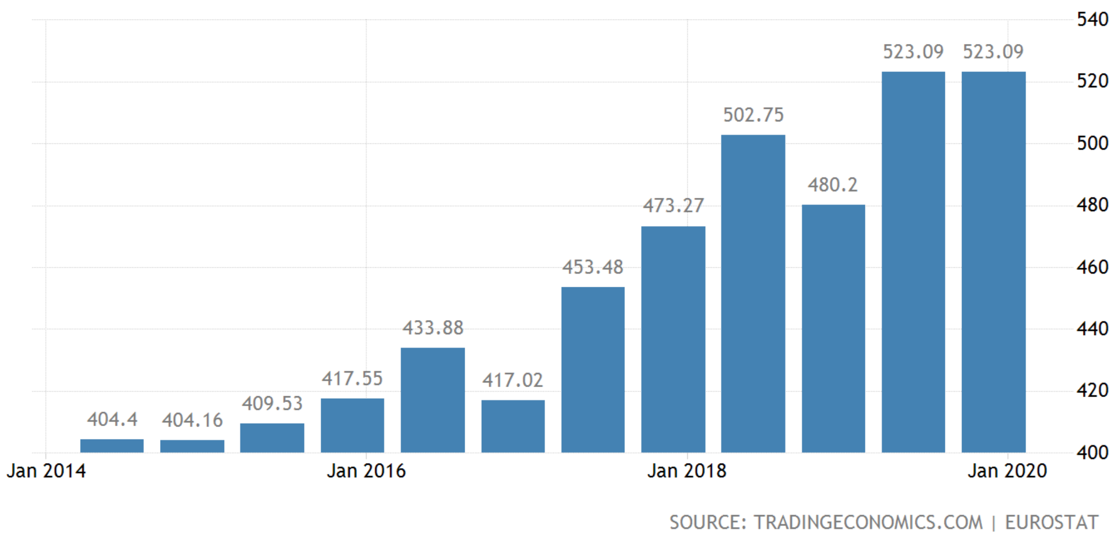
As of 2 March 2020, the excise duty on diesel was € 34.02/hl. It is worth noting that there is no provision for partial refund of excise duties on commercial diesel in Poland.[4]

[2] https://www.bip.krakow.pl/?dok_id=92395
[3] https://www.viatoll.pl/en/trucks/map/list-of-toll-sections
[4] Excise duties and mechanisms for partial refunds on diesel in Europe - CNR study, 19 March 2020

Pay rates

As of 1 January 2019, the Polish minimum gross monthly salary was 2,250 PLN, i.e. nearly €523 gross monthly.[5] It applies to all categories of employees. It thus represents the basic salary of drivers with Polish contracts. The Polish minimum wage has increased by more than 6% per year on average (in zlotys) since 2017, date of the previous CNR study.

Minimum gross monthly salary since 2014, expressed in euro



Travel allowances

The amount of travel allowances depends on the country of destination and is often expressed in the currency of the country in question. For European countries, these allowances range between €38 and €57 per day. Travel allowances are not subject to tax or social security contributions. The amounts of travel allowances are shown in the table below.

[5] Exchange rate on 1 January 2019: 1 PLN = 0.22380 EUR

Travel allowances for Polish drivers in Europe in 2019

Country	Daily amount in 2019	Payment limit for accomodation costs
Germany	49 euros	150 euros
Austria	52 euros	130 euros
Belgium	48 euros	160 euros
Bulgaria	40 euros	120 euros
Cyprius	43 euros	160 euros
Croatia	42 euros	125 euros
Denmark	406 Danish crowns	1 300 Danish crowns
Spain	50 euros	160 euros
Estonia	41 euros	100 euros
Finland	48 euros	160 euros
France	50 euros	180 euros
Greece	48 euros	140 euros
Hungary	44 euros	130 euros
Ireland	56 euros	160 euros
Italy	48 euros	174 euros
Latvia	57 euros	132 euros
Lithuania	39 euros	130 euros
Luxembourg	48 euros	160 euros
Netherlands	50 euros	130 euros
Portugal	49 euros	120 euros
Czech Republic	41 euros	120 euros
Romania	38 euros	100 euros
Slovakia	43 euros	120 euros
Slovenia	41 euros	130 euros
Sweden	459 Swedish crowns	1 800 Swedish crowns

Source: Polish ministry of Finance

Social security contributions

Social contributons as of 1 January 2019 in Poland

Social contributions applicable to driving staff as of 1 January 2019 (in %)	Employer	Employee
Primary social contributions		
Pension fund	9.76%	9.76%
Disability fund	6.50%	1.50%
Illness fund	0.00%	2.45%
Accident insurance fund for RFT sector	1.67%	0.00%
Labor fund	2.45%	0.00%
Employee guaranteed benefits fund	0.10%	0.00%
Optional pension fund	1.50%	0.00%
Additional social contribution		
Mandatory mutual contribution	0.00%	9.00%
Total	**21.98%**	**22.71%**

Source: KPMG

Occupational accident protection is the responsibility of the employer. In terms of accident insurance, a figure of 1.67% has been used here, which is the rate typically reported by RFT companies.

2. STUDY OF THE OPERATING CONDITIONS AND COSTS FOR A 40-TONNE POLISH HGV OPERATING INTERNATIONALLY

This part of the study describes the economic and social conditions prevailing in 2019, at the time this updated study was conducted. In carrying out this study, the CNR has drawn on research focused primarily on the fiscal and social aspects of the RFT sector, as well as on previous CNR studies of the country and feedback from the experts with whom the CNR collaborates. These different sources provide an overview of the Polish RFT sector internationally and highlight the main developments observed since the last study. This research and process of dialogue are further backed up by interviews with Polish hauliers and lorry drivers (see below and page 17).
All the figures eventually adopted by the CNR in order to construct the standard profile represent the best expert appraisal of this set of data sources.

2.1. OPERATING CONTIDITIONS AND COSTS FOR COMPANIES

This section is mainly based on face-to-face interviews with 20 Polish road freight transport companies involved in long-distance transport operations, mainly internationally. The companies included in this study have the following characteristics:

	Number of tractors	Principal markets	Number of drivers	Turnover
Company 1	37	Poland, Italy, Germany	37	€ 302,30
Company 2	100	The United Kingdom	100	€ 11,100,000
Company 3	145	The European Union	145	€ 27,907,000
Company 4	25	Italy, France, Spain	25	€ 250,00
Company 5	28	The Netherlands, the United Kingdom, Belgium, Switzerland, Germany	28	n.d
Company 6	150	The United Kingdom	150	€ 20,100,000
Company 7	28	Austria, Germany	28	€ 500,00
Company 8	16	Spain, Germany	16	€ 2,500,000
Company 9	30	Portugal, Serbia	30	€ 2,800,000
Company 10	55	Italy, Germany, Austria, Belgium	55	€ 4,650,000
Company 11	30	France, Czech Republic, Spain, Belgium, Germany	30	€ 1,162,800
Company 12	10	France, Belgium	10	€ 418,60
Company 13	100	Germany, Belgium, France, the United Kingdom	100	€ 11,200,000
Company 14	95	The European Union	120	€ 10,465,000
Company 15	20	France, Spain, Germany	23	€ 581,40
Company 16	120	The European Union	120	€ 16,280,000
Company 17	85	The European Union	85	€ 8,000,000
Company 18	80	The European Union	150	€ 12,790,700
Company 19	12	France, Czech Republic, Spain, Germany	16	€ 930,20
Company 20	6	France, Czech Republic, Spain, Germany, Belgium	6	€ 418,60

The companies visited for this study are extremely diverse in terms of their size and structure. They are all specialised in international RFT.
Subcontracting is widespread. The large Polish companies interviewed use subcontractors, both other smaller Polish companies and companies from neighbouring countries such as Lithuania or Latvia.

To enable a comparison with the data from other CNR country studies, only companies whose main activity is international long-distance freight transport have been selected.

The CNR is hereby reporting the results of these interviews, which have no statistical value. However, they do shed light on figures and information obtained elsewhere. Ultimately, the CNR uses figures based on expert opinion to establish the costs and operating conditions that pertain for a “standard” HGV operating internationally.

VEHICLES

Polish transport companies operate vehicles intensively. The number of days vehicles are operated varies between 220 and 330 days, with a clustering around 265 days per year.
The average annual mileage travelled by the vehicles of the hauliers we met with is between 110,000 km and 150,000 km, with a clustering around 135,200 km per year. The length of time vehicles are kept ranges between 6 and 10 years, with a clustering around 7 years for the vast majority of companies surveyed. Vehicles are often acquired via 36-month leasing contracts and kept for an additional 4 years after the end of the contract.

The tractor/semi-trailer ratio reported in the course of company surveys is low: i.e. 1.07, a figure well below that observed in the 2017 Polish study, which was 1.25.

EQUIPMENT

The average purchase price of a Euro VI tractor established based on interviews with Polish hauliers is between €70,000 and €90,000, with a clustering around €78,000. The purchase price of a semi-trailer is estimated at € 23,000. Two financing methods seem to be used for the most part: leasing and rental. However, leasing is more popular with Polish carriers over periods ranging from 36 months to 60 months, with a clustering around 36 months. Companies often pay a deposit of 15%.

An increasing number of companies also opt for vehicle rentals over a period ranging from 24 to 48 months, often with full-service contracts. The most frequent scenario is a 36-month full-service vehicle rental. Polish companies report that they use this type of financing in order to be able to renew their fleets more frequently. Polish drivers tend to be interested in a modern and well-equipped fleet. They seem increasingly sensitive to their working conditions. A modern fleet can thus be a factor when they are looking for employment. In addition, several hauliers interviewed report that the second-hand market is not very healthy. Companies thus prefer to use rentals and return vehicles at the end of the contract.

The period for which a tractor is kept in the international business is 7 years; the figure for semi-trailers is 11 years.

Data on interest rates (estimated at 3 %) and leasing contract conditions allow the annual cost of owning a 40-tonne semi-trailer truck to be calculated. It is nearly € 14,278, with a ratio of semi-trailer/tractor ownership of 1.07.

FUEL

The average unit cost of fuel in 2019 (for the Polish sector) was €0.9543 per litre according to official figures published in the European Commission's Oil Bulletin.

In term of fuel supply, Polish companies prefer to buy fuel in Poland, if possible in bulk. A full tank of fuel allows them to drive almost two weeks on European roads. In the even of longer trips, they make additional fuel purchases in countries where the price of diesel is the lowest, such as Luxembourg or Spain.

MAINTENANCE & REPAIRS

Most companies use leasing with a maintenance contract. In the case of those who opt for vehicle rentals, maintenance/repair is frequently included as part of the contract. It should also be noted that the majority of the companies interviewed have an in-house garage.
The annual cost of maintenance-repairs for a 40-tonne semi-trailer truck is estimated to be €5,000/year. It has changed little since the study carried out by CNR in 2017. As a reminder, the annual estimated amount at the time was €4,600 per semi-trailer truck.

TYRES

The annual cost of tyres ranges widely, from €2,500 to €6,000. This cost item varies greatly depending on the method of purchase of the vehicles (with or without a tyre contract) or on the brand chosen, but also depending on the mileage and the loads transported. In addition, as mentioned above, more than half of the Polish companies interviewed have an in-house garage and they change and maintain their fleets' tyres. On average, hauliers that have not signed a tyre contract report that they pay between €350 and €500 for a tractor tyre.
Based on information provided by Polish hauliers, the annual cost of tyres for a 40-tonne semi-trailer truck is estimated at €3,900.

TOLLS

The annual toll costs for a 40-tonne semi-trailer truck operating internationally range widely, between €10,000 and €25,000. Costs vary greatly depending on the countries visited and the main markets in which the companies operate. This cost item, which had already shown a sharp increase in the last CNR Poland study, continues to grow. This can be explained in particular by the growing number of countries using a mileage-based tax (e.g. Belgium) and by a widespread increase in tariffs, such as the Maut in Germany, the main country of transit for the Polish sector.
This amount often includes the Eurovignette, which costs €1,250 and covers transport in the Netherlands, Luxembourg, Denmark and Sweden.

The annual cost of tolls for a standard Polish company is estimated at €16,700, including the Eurovignette.

INSURANCE

The amounts reported by hauliers vary widely, ranging from € 1,900 (per year, per semi-trailer truck) to € 3,500 (per year, per semi-trailer truck).
Polish hauliers generally take out comprehensive insurance.
The figure used by the CNR – € 2,530 per year for a 40-tonne semi-trailer truck with comprehensive insurance – is similar to the amount recorded in the 2017 study, i.e. € 2,700 per year, per semi-trailer truck. Polish hauliers therefore seem to be continuing their negotiations with insurers in order to lower the amount of this cost item.

AXLE TAX AND OTHER VEHICLE TAXES

The annual amount of the axle tax in the Krakow region was €1,303 for a 40-ton 5-axle, semi-trailer truck, with pneumatic suspension.

STRUCTURAL COSTS

Information on structural costs is often difficult to collect. How they are calculated differs from one company to another. Some take into account the cost of their in-house garage. The professionals we met on-site estimated this cost at between 7 and 8 % of the total cost of the vehicle.

2.2. EMPLOYMENT CONDITIONS AND DRIVER EMPLOYMENT COSTS

Employment conditions and driver pay in Poland were surveyed during two rounds of interviews: a first phase in companies with employers; and a second phase, involving face-to-face interviews with drivers in car parks and rest stops close to Warsaw. During this second phase, around twenty drivers, employees with Polish contracts, volunteered to be interviewed about their working conditions and pay.
Based on an analysis of these sources and a review of the literature, the CNR has produced a standard profile (in terms of employment conditions and pay) of an RFT driver with a Polish contract working internationally.

WORKING CONDITIONS

Permanent contracts are the most common form of employment contract in the sector. The ease with which employees can be dismissed in Poland means that open-ended contracts are virtually universal.

Polish drivers work around 245 hours per month. The number of working days per year is 247 days, ranging from 220 days to 260 days. According to the drivers surveyed, they receive 26 days of paid leave per year. In other words, drivers' actual working year averages 10.75 months.

In terms of their schedule, Polish drivers assigned to international duties generally spend around 20 nights away from home per month, and the vast majority of them go home at once every two weeks.

Finally, the average mileage that emerges from company surveys is almost 127,500 km per year. Meanwhile, drivers reported driving less: i.e. 125,200 km annually. The average used in this updated study is 126,400 km per year. Almost all drivers assigned solely to international duties reported that they drive the maximum number of hours permitted by law, i.e. 90 hours per fortnight.

As in 2017, Polish hauliers continue to face difficulties in hiring drivers. They continue to hire foreign drivers (using Polish contracts), in particular Ukrainians, Belarusians and Kazakhs. Poles are gradually abandoning the profession, which is considered too burdensome, due in particular to working conditions. Polish drivers seem increasingly to prefer working domestically or on short-distance international assignment, which enables them to return home every weekend.

However, according to certain employers interviewed, the shortage of drivers seems less pronounced than was the case two years ago. Several small haulage companies have gone bankrupt in recent years, enabling larger and more organised Polish companies to gain access to this pool of drivers.
The average seniority reported in the companies interviewed was 7 years. In order to keep their drivers, the Polish companies interviewed reported that they pay the maximum daily travel allowances. This was not the case a few years previously when the lack of drivers was less noticeable. These allowances are used as incentives to retain drivers. A new vehicle is also a good way for hauliers to keep their drivers, as explained above (page 16). The driver/tractor ratio was 1.07.

NOTE ON DRIVING PERSONNEL COST FORMATION

International driver pay

Drivers with Polish contracts receive a fixed monthly salary over 12 months, supplemented by daily travel allowances.

In the course of our interviews with them, companies frequently reported that they had recently adopted payment conditions in line with European regulations. Polish hauliers would thus seem to have abandoned mileage-based payments in favour of virtually automatic maximum daily allowances. The trend, which we observed in 2017, has continued. According to hauliers, drivers receive around €50 per working day in addition to their fixed salary, which is close to the minimum wage.
These reports were confirmed by drivers, unlike in 2017. It would thus appear that daily allowances are now widespread.

Thus, a basic salary of €523 gross per month – in addition to certain bonuses (such as the bonus for driving in an eco-friendly manner or for not having an accident), estimated at €30 per month in the payslip below (page 20) – makes up the initial component of drivers' compensation, which is subject to income tax. This fixed amount is supplemented by a variable component consisting of travel allowances. These daily allowances are not subject to social security contributions or income tax.

STANDARD PROFILE OF A DRIVER WITH A POLISH CONTRACT WORKING INTERNATIONALLY AND BREAKDOWN OF THEIR COST

Standard profile of an international driver - Poland - 2019	
Characteristics	- Driver working 100% of his time internationally. - Long distance international trips. - European rounds of 2 weeks with 3 to 4 rest days at home in major cases. - Paid leaves taken systematicaly during low activity periods. - Remuneration composed of a fixed basic salary close to the national minimum salary supplemented by a significant variable part not subject to social contributions and income tax. This variable part is increasing due to a shortage of drivers in Poland. - Travel allowances often used as variable part of the remuneration on the pay slip. Payments per km are less and less frequent and they are replaced by daily travel allowances. - Service time close to 245 hours per month.
Annual mileage achieved	126,400 km
Number of actual working days per year	247
Number of working weeks per year	46
Number of driving hours per year	1,980

Breakdown of the costof a standard Polish driver in 2019					
Official presentation on pay slips					
EMPLOYER			**EMPLOYEE**		
Gross salary	**€/month**	**€ 553.00**	**Gross salary**	**€/month**	**€ 553.00**
Fixed gross salary	€/month	€ 523.00	Fixed gross salary	€/month	€ 523.00
Other bonuses and extras (on monthly basis)	€/month	€ 30.00	Other bonuses and extras (on monthly basis)	€/month	€ 30.00
Primary social contributions	**21.98%**	**€ 121.55**	**Primary social contributions**	**13.71%**	**€ 75.82**
Pension fund	9.76%	€ 53.97	Pension fund	9.76%	€ 53.97
Disability fund	6.50%	€ 35.95	Disability fund	1.50%	€ 8.30
Illness fund	0.00%	€ 0.00	Illness fund	2.45%	€ 13.55
Accident insurance fund for RFT sector	1.67%	€ 9.24	Accident insurance fund for RFT sector	0.00%	€ 0.00
Labor fund	2.45%	€ 13.55	Labor fund	0.00%	€ 0.00
Employee's guaranteed benefits fund	0.10%	€ 0.55	Employee's guaranteed benefits fund	0.00%	€ 0.00
Bridging pension fund	1.50%	€ 8.30	Bridging pension fund	0.00%	€ 0.00
			Salary after primary social contributions		**€ 477.18**
			Additional social contribution	**9.00%**	**€ 42.95**
			Mandatory mutual contribution	9.00%	€ 42.95
			Salary after primary and additional social contributions		**€ 434.24**
			Income tax		€ 67.32
Gross salary subject to employer's contributions		**€ 674.55**	**Net salary after social contributions and income tax**		**€ 366.92**
Travel allowances for an actual working month (10.75 months per year)		**€ 1,440.00**	**Travel allowances for an actual working month (10.75 months per year)**		**€ 1,440.00**
Monthly cost of a driver during a month of full activity		**€ 2,114.55**	**Net salary of a driver for a month of full activity**		**€ 1,806.92**
Breakdown of the annual cost of a standard Polish driver in 2019					
Fixed gross salary + bonuses * 12 months		€ 6,636.00	Fixed gross salary + bonuses * 12 months		€ 6,636.00
Employer social contributions * 12 months		€ 1,458.59	Social contributions and income tax * 12 months		€ 2,232.99
Fixed gross salary subject to employer's contributions* 12 months		€ 8,094.59	Fixed salary after income tax * 12 months		€ 4,403.01
Travel allowances * 10.75 months		€ 15,480.00	Travel allowances * 10.75 months		€ 15,480.00
Total annual cost		**€ 23,574.59**	**Annual net salary**		**€ 19,883.01**
Cost of one hour of driving in €		**€ 11.91**	**Average monthly net salary**		**€ 1,656.92**
Cost per kilometre in €		**€ 0.19**			

Source: CNR Europe studies

Based on CNR surveys, driver costs have increased by 15.3 % since 2017. The total annual cost of a driver was €20,438, compared with €23,575 in 2019. This increase is partly explained by the increase in the national minimum wage (+6%/year since 2017), but also by the routine payment of the maximum daily travel allowances in order to retain drivers. In the space of 2 years, the total annual cost of an international driver increased by +7.4 %/year on average. The number of working days per year and the annual mileage driven by a "standard" driver with a Polish contract have decreased since our previous study. This can be partly explained by changes to the way work is organised. Polish drivers tend to prefer medium-distance international trips, which allows them to return home every second weekend.

Overall, the cost of an hour of driving rose to € 11.91, an increase of more than 15.4 % compared to 2017. As a reminder, the cost recorded by the CNR in 2017 was € 10.32/hour.

2.3. OVERVIEW OF THE OPERATING CONDITIONS AND COSTS OF A "STANDARD" INTERNATIONAL HGV

Operating conditions and costs excluding overhead costs, for a 40-tonne HGV operated on long distance international routes, 2019 conditions

	unit	**Poland** *Simulation*
Yearly mileage of a vehicle	km	135,200
Number of operating days	days/year	265
Semitrailer/tractor ratio		1.07
Driver cost	€/year	23,575
Driver/tractor ratio		1.07
Yearly cost of vehicle financing and possession	€/year	35,931
Average consumption per 100 km	litres	28.27
Unit fuel price, 2019 average	€/litre	0.9543
Fuel cost	€/year	35,931
Tyres	€/year	3,900
Maintenance-repair	€/year	5,000
Tolls and vignettes	€/year	16,700
Insurance (vehicle)	€/year	2,530
Axle tax and other vehicle taxes	€/year	1,303
Synthesis - cost price (excluding structural costs)		**104,866**
Cost/mileage ratio per annum	€/km	0.78

Source : CNR Europe studies

According to CNR calculations, the cost per kilometre of a Polish 40-tonne heavy goods vehicle used for international long-distance transport, excluding structural costs, is €0.78 compared with €0.70 in 2017, an increase of more than 11.4 % compared with the last study. This increase is due in particular to a higher annual driver cost (+15.3 %). This increase also concerns tolls (+7.7%) and the cost of vehicle ownership (+10.7%). The widespread increase in tolls across Europe – especially of the Maut in Germany, the main country of transit for the Polish sector – partly explains the increase in this cost item.

Ultimately, when structural costs (estimated at around 8% of the total cost) are factored in, the cost price of this type of vehicle in 2019 was estimated at €0.84 per kilometre. This estimate is perfectly in line with the information provided by hauliers, who estimates their cost price at around €0.85/km.

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