## **Statement**

# Frontier workers and the single market





### Position of the MOT on the opinion of the Committee of the Regions on "Frontier workers: Assessment of the situation after twenty years of the Internal Market: Problems and Perspectives"

#### I. INTRODUCTION

The Committee of the Regions launched an opinion on 11 March 2013 on the topic "Frontier workers: Assessment of the situation after twenty years of the Internal Market: Problems and Perspectives", rapporteur of the opinion being Mr. Karl-Heinz Lambertz (BE/PES) with his expert Mr. Martin Guillermo-Ramirez, secretary general of the AEBR.

The Mission Opérationnelle Transfrontalière congratulates the Committee of the Regions for this initiative and publishes the present position in order to express its point of view on the topic of employment in cross-border areas and the difficulties in access to the labour market on the other side of the border.

#### Presentation of the Mission Opérationnelle Transfrontalière (MOT - Transfrontier Operational Mission):

The Mission Opérationnelle Transfrontalière, created in 1997, is both an association and a French inter-ministerial structure, which has the main objective of facilitating cross-border projects. Its missions are operational assistance to leaders of cross-border projects (project development, legal structures, studies, etc.), networking, assistance in the definition of overall strategies in cross-border cooperation, and implementation of European projects. The MOT brings together within its network sub-national authorities and their groupings, associations, cross-border structures, large corporations, states, etc. involved in cross-border cooperation and situated on both sides of the border. It has about 60 members, from 11 European countries.

To date, the MOT has concentrated its work on cross-border proximity cooperation and assistance in the definition of policies regarding cross-border territories.

Website: www.espaces-transfrontaliers.eu

#### II. CROSS-BORDER EMPLOYMENT

#### European workers in frequent cross-border mobility

38. rue des Bourdonnais 75001 Paris - France tél.: +33 1 55 80 56 80 fax: +33 1 42 33 57 00

The mobility of cross-border workers poses first of all a problem of definition: residing in one country and crossing the border to work in the neighbouring country at least once a week seems to be the commonly accepted criterion, but other characteristics of the movement vary considerably. For example, European institutional statistics do not necessarily take into account geographical proximity.

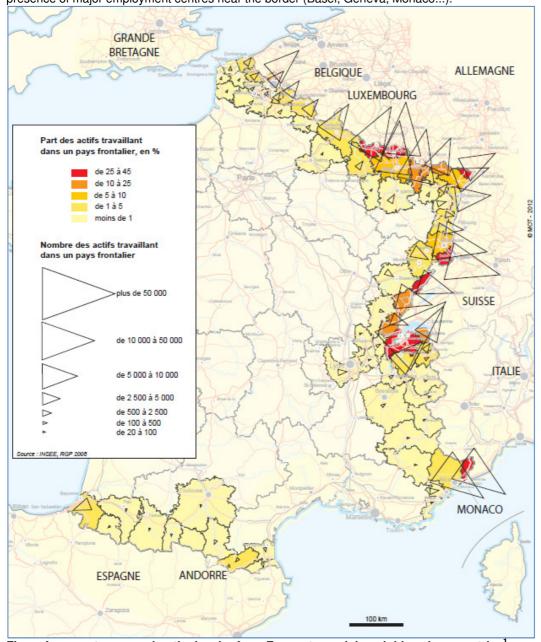
According to these statistics, more than 800,000 people commute between two countries of the European Union, when including Switzerland, Monaco and Liechtenstein.

Taking the example of French borders, the harmonization of data allowed the MOT in 2011 to measure the outward flow of workers crossing French borders at over 360,000 persons, with Switzerland remaining the most common destination followed by Luxembourg. In stark contrast, the inward flow was significantly lower (11,000 persons).

It is interesting to note the sharp increase in the number of cross-border workers in the last 30 years, particularly from the late 1990s up to the present day. The number of cross-border workers entering French territory has remained remarkably stable between 1999 and 2007 (after having decreased over a long period, particularly from Belgium and Spain) while the outward flow of workers during this period increased from 248,400 to 319,400 between 1999 and 2007 (INSEE), representing an increase of 28.6% in 8 years and according to the MOT's current figures, this has now risen to over 360,000. This growing imbalance may be due to several factors: low



attractiveness of the French border areas compared to neighbouring countries, and also the presence of major employment centres near the border (Basel, Geneva, Monaco...).



Flow of commuters crossing the border from France to work in neighbouring countries<sup>1</sup>

#### **Employment in border territories: an opportunity**

The rise in the number of cross-border workers over decades demonstrates that seeking employment in a neighbouring country remains an attractive option. Several factors or motivations can be distinguished, mainly:

- Differences in economic development on both sides of the border (unemployment and labour required)
- The wage differential
- Advantages linked to social benefits
- Fiscal differentials
- The cost of land and housing
- Historical factors, cultural factors (including common language or not) and family reasons.

<sup>&</sup>lt;sup>1</sup> This map shows the outward flow of commuters coming from France crossing the border to work in neighbouring countries (more than 360 000), the inward flows concern 11 000 persons and are not shown on this map.



Living in a cross-border territory represents both an opportunity for jobseekers who can respond to offers from the neighbouring state without moving, and for employers in need of labour who can call on workers on the other side of the border.

Commuting to and from work on both sides of the border also plays an important role in local economies, by way of the activities they stimulate and the income they generate.

It is also important to consider the potential of each territory, and the barriers created by their shortcomings: the development of transport infrastructure, the relevance of information and advisory services, as well as the fiscal agreements and legal convergence between countries, knowledge of the language of the neighbour, etc.

Lastly, historical and cultural factors must not be overlooked: psychological barriers such as being unaccustomed to mobility within the family and having a low tendency to travel outside of one's habitual environment (for example in the case of young people) are disincentives to the pursuit of opportunities on the other side of the border.

#### III. DIFFICULTIES AND SOME EXAMPLES OF GOOD PRACTICE

#### Difficulties in access to the labour market on the other side of the border

The issue of employment is at the forefront among the European Union's objectives for growth (Europe 2020 strategy<sup>2</sup>). Within this framework, an ad hoc strategy for employment<sup>3</sup> was launched in April 2012, consisting of targeted measures to boost job creation and restore the dynamics of labour markets. The Single Market Act II<sup>4</sup> proposes key measures and tools to facilitate the mobility of citizens.

Employment is included within the priority "Promoting employment and supporting labour mobility" for regulations for EU structural funds for the period 2014/2020.

However, although it is one of the priorities of EU policy, employment policy is primarily a **state responsibility**<sup>5</sup>.

Border territories are therefore places of friction between national policies. For example, EU legislation provides for the transfer of entitlements, in particular to social security, to the Member State in which the citizen is working, but the articulation of different national systems can be particularly complex.

The lack of integration within national policy of employment action plans for cross-border territories leads to a void in terms of legal framework, and thus limits the possibility of approaches being specially tailored to the needs of cross-border territories.

The mobility of businesses and their employees is hampered by the impenetrability of employment aid schemes, which are set up according to national objectives, despite being based upon a common European strategy. Applicants for employment aid face discrimination based on their national origin.

The lack of clarity concerning the equivalence of diplomas and professional qualifications acquired on both sides of the border represents a further obstacle to cross-border mobility of professionals. Lastly, for a jobseeker, access to information on the situation of the labour market and to the services of employment agencies on the other side of the border is often difficult.

http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2007:306:FULL:EN:PDF



http://ec.europa.eu/europe2020/index\_en.htm

<sup>&</sup>lt;sup>3</sup> The employment measures targeted: support for job creation, boosting the dynamics of labour markets, governance of policies. Link to the page on the European strategy for employment: <a href="http://ec.europa.eu/social/main.jsp?catld=101&langld=fr">http://ec.europa.eu/social/main.jsp?catld=101&langld=fr</a>

http://ec.europa.eu/internal\_market/smact/index\_fr.htm

<sup>&</sup>lt;sup>5</sup> Under the terms of the Treaty of Lisbon, the political and social cohesion are the subject of a shared competence between the Union and the States; vocational competence support, "The Union shall take measures to coordinate employment policies of the Member States, in particular by defining guidelines for these policies" (title I Article 2D 2.)

While a segmentation of actions across the different operators concerned is often observed, it is becoming evident that enhanced networking between socio-economic partners is required to promote a specialised range of services and coordinate cross-border initiatives. Partnerships such as **EURES**<sup>6</sup> represent a coherent response to cross-border contexts and are adapted to the specificities of the territory. The reform<sup>7</sup> of the network aims to consolidate its role of putting jobseekers and employers into contact with each other, and promoting the collaboration of actors involved in employment and training on the identification of sectors and occupations in demand. These actions can be coordinated within a cross-border job market area according to local needs.

Examples of projects and information services for cross-border workers:

- The first Franco-German Job Centre, inaugurated in 2013 in Kehl, is the result of the framework convention between the Communauté urbaine de Strasbourg, the Agentur für Arbeit and the Maison de l'emploi in Strasbourg
- The association **Groupement transfrontalier européen**, founded in 1963, is located on the Franco-Swiss border. It brings together more than 31,000 members, with the aim, along with its network of Maisons transfrontalières (in the Jura Arc and the Lake Geneva Arc) to ensure a better integration of cross-border workers on both sides of the border, to keep them informed, and to defend their interests. www.frontalier.org
- The INFOBEST network: a network of agencies that advise and inform individuals, associations, businesses, governments, etc., on cross-border issues concerning France, Germany and Switzerland. http://www.infobest.eu
- "Work Without Borders": this program aims to facilitate geographical and occupational mobility of jobseekers within the regions Piedmont, Valle d'Aosta and Rhône-Alpes. <a href="http://www.lavorosenzafrontiere.eu/">http://www.lavorosenzafrontiere.eu/</a>
- "Frontaliers Lorraine": Resource centre and association set up by the Regional Council of Lorraine, it intervenes to facilitate occupational mobility across its borders. <a href="https://www.frontalierslorraine.eu">www.frontalierslorraine.eu</a>
- "Task Force Net" of the Meuse-Rhine Euroregion: This international service works to overcome obstacles to cross-border employment. www.emr-taskforce.eu/fr/projekt.shtml
- "Border People": on the border between Ireland and Northern Ireland, the website "Border People" is a central access point for information on cross-border employment and mobility. <a href="https://www.borderpeople.info/index.htm">www.borderpeople.info/index.htm</a>
- **AEBR project**: "Information services for cross-border workers in European border regions." As part of this project, several services in Europe have been described (see the final report<sup>8</sup>)

In addition, recommendations on this topic can be found in the "Manifesto for cross-border cooperation in Europe", published by the MOT in 2008: <a href="http://www.espaces-transfrontaliers.org/en/MANIFEST\_EN.pdf">http://www.espaces-transfrontaliers.org/en/MANIFEST\_EN.pdf</a>

<sup>&</sup>lt;sup>8</sup> Report "Information services for cross-border workers in European border regions": http://www.aebr.eu/files/publications/121030 Final Report EN clean.pdf



 $<sup>^{6}\ \</sup>underline{\text{http://ec.europa.eu/eures/main.jsp?acro=eures\&lang=fr\&catId=56\&parentCategory=56}}$ 

<sup>&</sup>lt;sup>7</sup> Reform objectives: helping jobseekers to enter into contact more easily with employers looking for particular skills; increased targeting of sectors and occupations with skills shortages; supporting mobility programs focused on youth. The decision of the European Commission <a href="http://europa.eu/rapid/press-release IP-12-1262">http://europa.eu/rapid/press-release IP-12-1262</a> fr.htm