inArco Project

Paper on “Cross-border work in the EU labour market”

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InArco - Information Actions for Cooperation regarding Cross border workers in Alpine Arch countries
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inArco partners:
1. THE REGULATORY FRAMEWORK

When dealing with cross-border work (also called frontier work or cross-border commuting), there are four main aspects that are relevant in terms of observation of the dynamics of the phenomenon, namely social security, taxation, immigration and labour law. Providing a univocal definition of cross-border work covering all these relevant aspects is a complicated task. Different criteria can be considered to define cross-border work as opposed to other types of mobile work, the main distinction being between a time criterion (e.g. frequency and timing of return home) and a spatial one (e.g. distance from the border).

ETUC (2011) defines a cross-border worker as ‘an employee who works in one Member State (State of employment) and lives in another (State of residence). It is essential that he retains his normal place of residence outside the State of employment. If the cross-border employee moves to the State of employment, he becomes a migrant worker. A resident who moves to a neighbouring State but continues to work in his original State of employment (migrant resident), is also a cross-border or a frontier worker. The term “normal” place of residence does not exclude the possibility that the cross-border employee, for practical reasons, also has temporary accommodation in the State of employment’.

Definitions vary greatly whether social security rather than taxation aspects are taken into account.

Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems defines a ‘frontier worker’ as any person pursuing an activity as an employed or self-employed person in a Member State and who resides in another Member State to which he/she returns as a rule daily or at least once a week.

Turning to the area of taxation, bilateral double taxation treaties may or may not include a specific mention of frontier workers. When a treaty does make particular provisions for such workers, the definition applied to the phenomenon is generally stricter than the one used for social security coordination purposes. A few tax agreements consider cross-border workers as persons living and working in a border area (e.g. within 10, 20 or 30 km of the border, depending on the agreement).

Since the focus of this Paper is on social security rights, the relevant definition will be the one contained in Regulation No 883/2004.

1.1. Social security benefits and the EU Social Security Coordination

Regulation (EC) No 883/2004, as amended by Regulation 988/2009 and together with the Implementing Regulation 987/2009, represents the legislative framework for modernised coordination of social security
systems in the EU. These rules apply in all EU countries, in the other countries of the European Economic Area (namely Norway, Iceland and Liechtenstein) and in Switzerland.

The EC Regulation 883/2004 replaces any social security convention applicable between Member States falling under its scope; as a consequence, bilateral agreements between Member States that were in effect are suspended.

The regulation establishes four main principles, namely:

1. A worker is covered by the legislation of one country at a time and only pays contributions in one country.
2. Nationals of a EU country and persons residing in that country without being nationals of it are equal in terms of rights and obligations provided for by the national legislation (principle of equal treatment or non-discrimination).
3. When claiming a benefit, previous periods of insurance, work or residence in other countries are taken into account if necessary (principle of aggregation of periods).
4. An individual who is entitled to a cash benefit from one country can generally receive it even if living in a different country (principle of exportability).

As a basic rule, an individual is subject to the legislation of the country where he actually works as an employed or a self-employed person, independently of where he lives, so that the competent institution for the provision of social security benefits is the one of the country of work. The country of work is therefore responsible for his social security benefits.

The right to various types of benefits is described in more detail hereafter.

a) Old-age benefits

The total old-age pension that the individual will receive will be made up of pensions paid by the States where the individual has been insured. Each country where the individual has worked will keep his insurance record until he reaches the pensionable age. Even when an individual has worked in several countries, he should apply for the pension in the country of residence, unless he never worked there. In the latter case, he should apply in the country where he last worked.

The legislation of most Member States makes eligibility to the old-age pension conditional upon completion of a minimum insurance period, and reaching a statutory retirement age.

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2 It should be pointed out that coordination does not necessarily entail any form of harmonization of social security systems, which is not among the objectives of the EU. Each Member State is free to decide the rules of its social security systems, which benefits are granted and under what conditions; the purpose of EU law is not to harmonize or make the different national systems more uniform, but only to coordinate national legislations so that some basic rights are established for the workers.

3 The Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons (Decision 2002/309/EC, Euratom), signed on 21 June 1999 and entered into force on 1 June 2002, provides for the coordination of social security systems under the principle of equal treatment for Switzerland as well.

4 Certain provisions of social security conventions entered into by the Member States before the date of application of this Regulation, however, continue to apply provided that they are more favourable to the beneficiaries or if they arise from specific historical circumstances and their effect is limited in time. For these provisions to remain applicable, they need to be included in Annex II of the regulation. Annex II lists only two agreements between partner countries, one between Italy and Slovenia and the other one between Austria and Slovenia, both concerning reckoning of periods of insurance completed before the mid ’50s for specific groups of individuals.
Concerning the former, the principle of aggregation of periods applies. The institutions of the States where the individual has been insured will have to take account of periods of insurance or residence completed in any other Member State, if this is necessary for entitlement to an old-age pension under their legislation.\(^5\)

Concerning the statutory retirement age, the main issue is that pensionable ages vary greatly between Member States (MS). It is therefore possible that a person who has worked in different Member States does not reach the required age in all the MS where he/she has been insured at the same time.

If this is the case, only the Member State(s) whose conditions for entitlement to the old-age pension (including having reached pensionable age) are fulfilled – where appropriate after application of the principle of aggregation of periods, including those periods completed under the legislation of the Member State(s) whose conditions are not fulfilled (yet) – will proceed to calculate the amount of pension due. When performing this calculation, the periods completed under the legislation(s) whose conditions have not been satisfied are not taken into account when this would result in a lower amount of benefit.

Once an individual’s entitlement to old-age pension under a State’s legislation is established – for which purpose the principle of aggregation of periods can be applied – the person will receive a pension from each of these States. These ‘partial’ pensions are determined according to the method of pro rata calculation.

Those States where the individual qualifies for entitlement to old-age pension on the basis of national law, without resorting to the principle of aggregation of periods, will calculate two benefits:

1. a national or independent benefit, i.e. the pension to which the individual would be entitled by virtue of national legislation alone, without taking account of periods of insurance or residence completed in the other Member States;

2. a pro-rata pension, calculated following this procedure:
   a. firstly, a theoretical pension is computed, i.e. the pension that would be due from the State concerned if all periods of residence or insurance completed under the legislation of the States to which the individual has been subject, had been completed in that State; in other words, the pension that the person would receive from the State concerned if she had worked her entire career there;
   b. on the basis of this theoretical pension, each State will calculate a pro-rata pension, by applying to the theoretical amount the ratio between the duration of periods completed in the State concerned and the total duration of periods of insurance under the legislation of all Member States concerned.

These two pensions will then be compared, and the retiree will receive the highest amount of these two.

Those States where the individual qualifies for entitlement to old-age pension only by resorting to the principle of aggregation of periods will pay the pro-rata pension.

It should be noted that the pro rata calculation shall not apply to schemes providing benefits in respect of which periods of time are of no relevance to the calculation, subject to such schemes being listed in part 2 of Annex VIII. In such cases, the person concerned shall be entitled to the benefit calculated in accordance with the legislation of the Member State concerned. This is the case of most NDC pension schemes.

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\(^5\) Note that overlapping periods are taken into account only once. In principle in such a case every Member State takes into account his own periods. Only in cases these periods are not so beneficial for entitlement or calculation of the pension as the overlapping periods of another Member State these more beneficial periods have to be taken into account. So for instance if (compulsory) insurance periods under the legislation of one Member State coincide with periods treated as such (e.g. during military service) or voluntary or continued optional insurance periods under the legislation of another Member State, only the compulsory insurance periods will be considered. Nevertheless, such periods of voluntary insurance are not lost. The Member State concerned has to grant a specific part of its pension corresponding to these periods.
As the requisite pensionable age is reached in the other State(s), this State (or these States) will also proceed to calculating the amount of pension due. At this point, the State(s) which is (are) already paying a pension must recalculate this pension, in accordance with the precise rules set out in the regulation.

If a worker is entitled to benefits in several EU countries, the total amount of the benefits must not be less than the minimum provided for in the legislation of his/her Member State of residence, if the State of residence has a minimum pension scheme. Otherwise, the institution of the Member State of residence must pay compensation.

It should be noted that the regulation provides that, as a rule, Member States are not obliged to award benefits in respect of periods of less than one year completed under their legislation. However, there are two exceptions to this rule. First, if by virtue of the legislation of the Member State(s) concerned, a right to benefit is acquired in respect of a period of less than one year, without any aggregation of periods, the benefit must be awarded. Second, if the effect of applying this rule would be to relieve all Member States where you have been insured of their obligation to pay old-age pension, you will receive a pension from the last of the Member States where you were insured and whose conditions for entitlement are satisfied once all periods are aggregated.

### b) Pre-retirement benefits

Statutory pre-retirement schemes also come within the scope of the new EU coordination rules. This guarantees that these benefits will be granted to migrants under the same condition as nationals and may also be "exported" when retiring abroad.

However, the principle of aggregation of insurance periods does not apply: this means that the periods of insurance, employment or residence completed in other countries do not have to be taken into account when these benefits are granted.

It should be noted that the inclusion of pre-retirement benefits in the scope of the new EU coordination rules has limited practical relevance, as the new regulation only applies to statutory schemes and the bulk of national pre-retirement schemes are established through collective agreements.

### c) Survivors’ benefits

The coordination rules governing survivors' pensions are identical to those governing old-age pensions.

### d) Invalidity benefits

The way invalidity benefits are calculated varies from one country to another within the European Union. There are two major methods of calculation when it comes to cross-border situations.

Some countries apply a risk-based logic (type A legislation). There the worker is entitled to the same pension regardless of his periods of insurance, but he must be insured when the invalidity occurs. This calculation method applies only to certain schemes which are listed in Annex VI to Regulation 883/2004, i.e. schemes in the Czech Republic, Estonia, Ireland, Greece, Latvia, Finland, Sweden and the United Kingdom.

All other countries apply a pro-rata method (type B legislation). This means that the invalidity pension is calculated on the length of the worker’s insurance period in each country: the longer he was insured before...
becoming an invalid, the higher his pension will be. Even if he wasn’t insured when becoming an invalid, he will still be entitled to a pension.

If the worker has been insured in several countries before becoming an invalid, a completely different coordination regime applies according to whether the person concerned has completed periods of invalidity insurance exclusively under type A systems or whether s/he has completed periods of invalidity insurance under at least one type B system. Since all partner countries fall within the group of type B systems, we will focus on the latter case.

The coordination rules which come into play are very similar to those governing entitlement and calculation of old-age pensions. In order to establish entitlement to an invalidity pension under the legislation of the States where s/he was insured, it is possible to make use of the principle of aggregation of periods, especially when one has to satisfy a minimum insurance period. As a consequence, the institution of the country where s/he claims an invalidity pension will take account of periods of insurance or residence that were completed under the legislation of any other country if this is necessary for the entitlement to the benefit.

The general rule is that the individual will receive an invalidity pension from each Member State to whose legislation s/he has been subject. For the calculation of these ‘partial’ invalidity pensions in each Member State, the principle of proratisation is applied; this procedure resorts to the same rules as the one applied for old-age pensions (i.e. the calculation of independent, theoretical and pro-rata pensions)\(^6\).

It should be noted that, since national social security legislations are not harmonised, each State is free to determine the conditions for granting invalidity pensions, including the required minimum level of incapacity for work, as long as it does not discriminate, directly or indirectly, against nationals of other Member States. It follows that there are important differences among Member States as to the criteria for invalidity, so each country having to pay an invalidity pension to the frontier worker can insist on examining him. As a result, it is possible that the individual is recognised as being incapable of work in one Member State, but not in another, or to a different degree.

e) Medical treatment (health insurance)

A cross-border worker is entitled to medical treatment on both sides of the border. He is normally insured in the country of work and so he is entitled to healthcare there. He will then need a form from the health insurance authority in the country of work which entitles him to register for health insurance in the country where he lives.

The frontier worker’s dependant family members are also entitled to medical treatment on both sides of the border if the worker lives and works in Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, France, Greece, Germany, Latvia, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia or Slovenia.

If he lives or works in Denmark, Estonia, Finland, Hungary, Ireland, Italy, Lithuania, Spain, Sweden, the Netherlands, or the United Kingdom, his dependants cannot have 2 health insurance cards. They can only get treatment in the country of work when one of the following conditions is met:

1. treatment becomes necessary on medical grounds during their stay in that country, taking into account the nature of the treatment and the expected length of the stay;

\(^6\) Note that in some well-defined cases, which are listed in an annex to the regulation (Part 1 of Annex VIII to Regulation 883/2004), and provided certain conditions are met, the institution concerned may forego the calculation of the theoretical and pro-rata pension.

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2. there is an agreement between the countries/authorities concerned;
3. prior authorisation has been given by the relevant authority in the country where the dependant lives.

\( f) \) Family benefits

Family benefits are all benefits in kind or in cash intended to meet family expenses under the social security legislation of a Member State. These include:

a) child-raising allowances or parental benefits, intended to enable one of the parents to devote him- or herself to the raising of a young child, and designed to remunerate the service of bringing up a child, to meet the other costs of caring for and raising a child and, as the case may be, to mitigate the financial disadvantages entailed in giving up income from an occupational activity

b) Child care allowances, i.e. benefits paid to working parents for the care of their child(ren)

c) Special allowances for single parents and for disabled children

Regulation (EC) No 883/2004 lays down that the State of employment is responsible, regardless of whether the family resides with the worker in another Member State. There are however specific provisions concerning these benefits, since the entitlement to family benefits for a frontier worker generally depends on the working condition of the other parent. In such cases, the relevant national authorities will take account of both parents' situations and decide which country has primary responsibility for paying the benefits. Their decision will be based on "priority rules".

If the benefits the frontier worker receives from the "primary" country turn out to be lower than what he would have received from the "secondary" country where he also had rights (because he works there or because he receives a pension there), the secondary country will pay a supplement equivalent to the difference between the two benefits. In this way, the worker is ensured of receiving the maximum benefits to which he is entitled.

If the frontier worker’s spouse or partner — i.e. the children’s other parent — works in the frontier worker’s home country, the worker is entitled to child benefits there. If the amount of corresponding benefits in the country of work is higher, the country of work should pay a supplement corresponding to the difference between both benefits.

If the spouse or partner works in the same country as the frontier worker or doesn't work at all, the frontier worker is entitled to child benefits in the country where he works.

If the frontier worker and his partner work in different countries but none of them works in the country where their children live, they will receive family benefits from the country where the highest benefits are paid.\(^7\)

Advances on maintenance payments and special childbirth and adoption allowances which are listed in Annex I of Regulation 883/2004 are excluded from the scope of the regulation.

\(^7\) In October 2011, the European Commission provided a ‘reasoned opinion’ under EU infringement procedures to Italy, requesting the country to comply with its obligations under EU law to pay certain family allowances given by the region of Trentino-Alto Adige and the province of Bolzano to people working there but living in Austria. Until then, Italian authorities had refused to pay these allowances to the workers, based on the fact that the workers did not reside in Trentino – Alto Adige or Bolzano. In December 2011, the provincial council established that the residence clause would not be applied anymore.

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The rules described until now are applicable to all mobile workers, including cross-border workers. For some benefits there are however special rules that apply to frontier workers only; these exceptions are represented by benefits in kind in the fields of sickness, accidents at work and occupational diseases, and by the area of unemployment.

**g) Sickness, maternity and paternity benefits**

The country where the worker is insured is responsible for paying sickness, maternity or paternity benefits in cash, i.e. *(cash) benefits* that replace a wage that has been suspended due to sickness. These benefits will be paid according to the rules of the country where the individual is insured, regardless of where he is living or staying⁸. By agreement between the two institutions, these benefits may be provided by the institution of the place of residence, at the expense of the institution of the country of work.

*Benefits in kind*⁹ are provided by the country of residence, on behalf of the competent institution, i.e. that of the country where the individual works.

**h) Benefits in respect of accidents at work and occupational diseases**

The country where the worker is insured is always responsible for paying *(cash) benefits* in respect of accidents at work and occupational diseases, i.e. benefits that replace a wage that has been suspended due to an accident at work or an occupational disease. Cash benefits are normally paid out directly by the institution of the country where the worker is insured. The country of insurance can, however, agree with the institutions of the country where he lives or stays that his cash benefits will be paid out by them. This will not change the amount he receives.

The country of residence is responsible for providing all *(benefits in kind)*, e.g. healthcare and medicines, on behalf of the competent institution, in accordance with the legislation of the place of residence.

**i) Unemployment benefits and labour market reintegration.**

A frontier worker who becomes wholly unemployed is entitled to unemployment benefits in accordance with the legislation of the Member State of residence, as if s/he had been subject to that legislation while lastly (self-)employed. The individual must make himself/herself available to the employment services of that country, register as a person seeking work with these services and will be subject to the control procedure and the conditions applicable in the State of residence. The benefits are paid by the institution of the place of residence, but that institution will be reimbursed by the institution of the competent State for the benefits it has provided during the first three months (or during the first five months, if the individual worked at least

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⁸ Where the legislation of the competent State provides that benefits are calculated on the basis of average income or average contribution, the competent institution will determine such income or such basis only by reference to the income earning during the periods you completed under the legislation of the competent State. Likewise, where the amount of benefits is related to standard income, only standard income for the periods during which you were subject to the legislation of the competent State will be considered for calculation purposes.

⁹ As specified in the Regulation, these include ‘all benefits in kind provided for under the legislation of a Member State which are intended to supply, make available, pay directly or reimburse the cost of medical care and products and services ancillary to that care’, including long-term care benefits in kind.
12 months during the last 24 months in the State of last employment or self-employment, up to the amount of unemployment benefit that would be payable under the legislation of the competent State. Entitlement to benefit, and the amount of benefit, is assessed entirely according to the legislation of the country of residence, but taking account of the working periods abroad.

The principle of equal treatment provides that the frontier worker has the right to look for work and receive support from national employment offices of the country where he used to work. He can therefore register with the employment services of that country, but he will have to comply with the checking procedures and obligations in both countries. However, as the benefits are always paid by the country of residence, the obligations and job-seeking activities there have priority.

On the other hand, if the frontier worker is partially or intermittently unemployed, s/he will receive benefits in accordance with the legislation of the competent State (normally the country of last employment or self-employment), at the expense of the competent institution. This is logical, as the professional relation with the employer or the business ties continue to exist and s/he has the best chance of finding work in the former country of (self-)employment.

1.2. Taxes

As far as taxation is concerned, there is no harmonisation nor coordination in Europe in the area of cross-border work. There is no general rule and the status of a frontier worker for tax purposes depends solely on national laws and double tax agreements between countries, which vary considerably and generally do not contain any special arrangements for cross-border workers at all.

When a tax agreement exists, the frontier worker will have to pay taxes in the country designated as competent in the double tax agreement between the country of residence and the country of employment.

The general rule applying to individuals residing in Italy and working abroad (and therefore to Italian frontier workers as well, since there is no specific rule for such workers) provides that these individuals will have to declare their labour income in Italy, benefiting from a tax rebate, meaning that a part of the income is considered non-taxable. Between 2003 and 2011, the non-taxable income was worth 8,000 euros; for 2012, it has been reduced to 6,700 euros; the 2013 Stability Law passed in December 2012 extended the right to the same rebate to incomes earned in 2013 as well (L. 244/2007 Art. 1 c. 204; L. 228/2012).

The main agreements involving the partner countries are the following:

- **Tax Treaty Italy-Austria**¹⁰

An individual who has his residence in a Contracting State near the frontier and who has his place of employment also near the frontier in the other Contracting State, and usually goes to work there, shall be taxed with respect to his income from employment only in the State of which he is a resident.

- **Convention Italy-France**¹¹

Employment income of persons living in the frontier zone of one of the States (i.e. those areas in Italy and those departments in France which are adjacent to the border) and working in the frontier zone of the other State shall be taxable only in the State of which such a person is resident.


• Italy-Slovenia\textsuperscript{12}

The bilateral convention between Italy and Slovenia for the avoidance of double taxation with respect to taxes on income and on capital and the prevention of fiscal evasion does not include any reference to the specific case of frontier workers. As a consequence, it is not possible to exclude cases of double taxation, both at the source and in the income tax return.

• Double taxation agreement Switzerland-Italy:

The agreement between Switzerland and Italy regarding the taxation of cross-border workers, which dates back to October 1974 and applies to the cantons of Graubünden, Valais and Ticino, is an integral part of the Double Taxation Agreement. Italian frontier workers in Switzerland are defined as Italians working in one of these three Cantons and living in the area within 20 km from the Swiss border. Under the 1974 agreement, the Cantons levy a withholding tax on the income of cross-border workers and return a share of this (38\%) to Italy.

If the frontier worker lives outside the area within 20 km from the Swiss border, he is taxed in Italy with the general rules for Italian residents working abroad (presented above).

• Double taxation agreement France-Switzerland:

There are two bilateral agreements between France and Switzerland, the Swiss-French agreement to prevent double taxation of 9 September 1966 and the agreement of 11 April 1983 for taxation of frontier workers.

1.3. Immigration laws

The free movement of persons is one of the fundamental rights guaranteed in the European Economic Area, and a core principle of the Treaty on the Functioning of the European Union (enshrined in Article 45).

The Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons (Decision 2002/309/EC, Euratom), signed on 21 June 1999 and entered into force on 1 June 2002, establishes the principle of free movement of persons between the territory of the European Community and that of the Swiss Confederation as well. It pursues the objective of reciprocally granting the right of entry, residence, access to paid work, establishment on a self-employed basis and the right to stay in the territory after their employment has finished to both European and Swiss nationals. The right of entry and residence applies to everyone, including those without an economic activity in the host country. There are however safeguard clauses (i.e. quotas) that the Swiss Federal Council can decide to use to restrict access to the country\textsuperscript{13}.

1.4. Labour law

According to the principle of equal treatment, if an individual is working in a country other than that where he lives, he must be treated exactly the same as other workers who are nationals of that country, i.e. he has

\textsuperscript{12} \url{http://www.finanze.it/export/download/fiscalita_internazionale_convenzioni/convenzione_slovenia_eng.pdf}

\textsuperscript{13} Recently, the Federal Council decided to invoke the safeguard clause, applying quotas from May-June 2013. These quotas however do not apply to cross-border workers.
the right to benefit from all the services and advantages that residents of that country have. This applies to a number of work-related rights, e.g.:

- Working conditions (e.g. salary, dismissal, etc.);
- Training opportunities;
- Joining trade unions and exercising the related rights.
2. CROSS-BORDER COOPERATION

A fundamental role in cross-border cooperation is played by EURES cross-border partnerships and Interregional Trade Union Councils (IRTUCs).

EURES is a co-operation network set up in 1993 between the European Commission and the Public Employment Services of the EEA Member States (the EU countries plus Norway, Iceland and Liechtenstein) and other partner organisations. Switzerland also takes part in EURES co-operation. The purpose of EURES is to provide information, advice and recruitment/placement (job-matching) services for the benefit of workers and employers as well as any citizen wishing to benefit from the principle of the free movement of persons. EURES cross-border partnerships bring together public employment and vocational training services, employers and trades union organisations, local authorities and other institutions dealing with employment and vocational training, in order to meet the need for information and coordination connected with labour mobility in the border regions. They serve as valuable points of contact among employment administrations, both regional and national, and the social partners; they are also an important means of monitoring these cross-border employment areas.

Interregional Trade Union Councils bring together the regional trade union organisations of national ETUC (European Trade Union Confederation)-affiliated confederations in cross-border regions. Out of a total of 45 cross-border partnerships, 11 involve Italy and 7 the Alpine Arch.

Both EURES cross-border partnerships and IRTUCs are also one of the primary sources of figures on frontier work.

2.1. EURES cross border partnerships

Euradia (IT-SI)

The framework agreement for cooperation between the public employment services, employers’ and workers’ organisations of the adjacent regions of Slovenia and Friuli Venezia Giulia was signed in Trieste in December 2007. In March 2008 this partnership was recognised by the European Commission. The cross-border region includes the entire territory of Friuli Venezia Giulia - the province of Trieste, Udine, Gorizia, Pordenone and the statistical regions Goriška, Obalno-krška and Notranjsko Kraska in Slovenia within its boundaries.

Using as a starting point the proper dissemination of information about living conditions and employment, the main aim of the partnership is to promote the mobility of workers in the cross-border region in the interest of matching labour demand and supply, stimulating this mobility by identifying and removing barriers to mobility, providing assistance to jobseekers and employers in their respective searches for job opportunities and staff, safeguarding workers’ rights and finally, taxation and insurance matters. The action is also directed at encouraging active policies which support the development of an integrated and mutually beneficial labour market, promoting processes which will lead to a real and solid harmonisation of rules and to uncovering and combating the black economy.

Eures Euradria is supported by a network of Eures advisors throughout the Euradia region, working within the public employment services or for trades union and employers’ associations in both countries.

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14 Consigli Sindacali Interregionali (CSIR).
TransTirolia (IT-AT-CH)

The framework conditions for cross-border cooperation between the employment services and the employers’ organisations of the Tyrol and South Tyrol were signed in 1997 and renewed and extended to other organisations in May 2000. In November 2002, Grisons joined the EURES TransTirolia with the Kantonales Amt für Industrie, Gewerbe und Arbeit (KIGA) (Cantonal Office for Industry and Labour). The partnership covers the Federal State of Tyrol, including the districts of Landeck, Imst, Innsbruck (city and State), Schwaz and Lienz in Austria; the Autonomous Province of Bolzano-South Tyrol in Italy; and the Canton of Grisons in Switzerland.

EURAZUR (FR-IT)

The Eurazur partnership covers the territory of the Liguria region in Italy and the Provence-Alpes-Côte d’Azur (PACA) region in France, specifically the département of Alpes Maritimes on the French side and the province of Imperia on the Italian side.

The EURES Cross-border region of Eurazur Liguria/PACA was created in 1994 on the initiative of a voluntary partnership, with the support of the European Commission. The objective of the partnership is to promote the geographical and professional mobility of workers in the two regions, above all by identifying and providing workers and businesses with all types of information on mobility in the two border regions: job offers, living and working conditions, social security, taxation, and the job market. One of its main tasks is to identify and eliminate obstacles to the free movement of workers.
3 QUALITATIVE AND QUANTITATIVE SURVEY OF THE DATA REGARDING CROSS-BORDER WORKERS

Estimating the relevance of the phenomenon of cross-border work is a very difficult task, since the availability of data describing flows of frontier workers and their characteristics is very limited.

There is a huge lack of homogeneity in the type and quantity of statistics available. The national statistical offices generally do not provide harmonized data on the issue, nor do they systematically collect data to measure the flows. The provision of data is generally limited to local institutions and organizations (e.g. local offices of trade unions), based in areas where the phenomenon is more relevant, and to EURES cross-border partnerships.

A relevant exception is represented by Switzerland, whose statistical office systematically collects information on the flows of workers across the Swiss border; this is due to the considerable impact of frontier workers on the Swiss economy.

The next sections will provide an overview of data available for the different cross-border regions.

3.1 Italy/Slovenia

There is a lack of systematic and integrated monitoring of the phenomenon by both Italy and Slovenia; the definition of its dimension is still based on estimates, since no official data exists. Also, the significant role played by undeclared work in the local labour market, especially in the case of frontier workers, makes the task of measuring its impact even more difficult. The main problem is the ability to track workers who cross the border to perform their economic activity, which has been further reduced by the change of status of Slovenians from extra-EU to EU workers in 2004, which entitles them to the right of free movement within the European Union, without the need for special procedures and the release of authorizations to live and work in Italy.

According to the EURES report ‘Eures T Italia/Slovenia – La risposta alla mobilità ed ai diritti dei lavoratori transfrontalieri’, in 2006 the estimated daily number of individuals crossing the border between Italy and Slovenia for work reasons was around 1,850 for the province of Gorizia, and 7/8,000 for the provinces of Udine and Trieste15.

In 2005, the Slovenians enrolled in the Italian National Health System and not resident in Italy were around 1,640; though not a precise indicator of the number of cross-border workers, this number can represent a reasonable proxy, since these individuals have likely been working in Italy – which makes the enrolment in the health system compulsory – but had no interest in establishing their residence in the Region Friuli Venezia Giulia.

According to a study carried out by MKW GmbH on behalf of the European Commission16, based on information provided by Eures T Euradria, in 2007, around 10,300 cross-border workers were estimated, 10,000 from Slovenia to Italy (but considering the important role of illegal working and periodical work – e.g.

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15 These figures are hardly comparable to the employment levels in the frontier regions, so it is not possible to establish the relevance of the phenomenon when compared to the dimension of the local labour market.

in agriculture and tourism – this amount can reach seasonal peaks of about 15,000) and 300 in the opposite direction.

Besides agriculture and tourism, most Slovenians working in Italy are employed in the construction industry and in services like trade, communication and transports. Female Slovenians are most frequently occupied in household and health services.

Italian cross-border workers on the other hand are generally employed in the transports and communications, followed by the construction and manufacturing industry (mainly metallurgy and electric sectors) and services like hotels/restaurants and commerce.

Among cross-border workers between Slovenia and Italy there is a relatively high share of women and of older workers (aged 50 and above). The skill level of these workers is relatively low; however, since due to huge problems with the recognition of qualifications many workers are overqualified for their jobs, their actual skill level is believed to be higher than that reflected in their job.

There is a high incidence of illegal work, especially on the Italian side (mainly in the sectors of construction, agriculture and many services); among those regularly employed, the prevailing contractual arrangement is a permanent contract.

3.2 Italy/Austria/(Switzerland)

According to EURES TransTirolia, in the area comprising Alto Adige, Tyrol and the Canton of Grisons, there were approx. 1,700 cross-border workers in 2006, and some 4,000 young people were enrolled in a course in a neighbouring country.

According to the abovementioned study carried out by MKW GmbH on behalf of the European Commission, based on information provided by Eures TransTirolia, Austrian online labour market monitoring, Austrian statistic of regional health insurance companies, around 1,200 cross-border workers between Austria and Italy were estimated in 2007, 600 in each direction. Such low level of cross-border work is produced on the one hand from the nature barrier of the Alps, and on the other hand by the relatively similar salary and economic sectors structured on both sides of the border.

Tourism, hotels and restaurants are among the main areas of employment of cross-border workers.

Workers are mainly men, young and middle-aged, and are generally middle- to high-skilled. The prevailing contractual arrangement is as permanent employees.

3.3 Italy/France

According to the abovementioned study carried out by MKW GmbH on behalf of the European Commission, based on information from the French Local Health Insurance Board, INSEE and the Department of Finance and Economic Affairs of the Government of the Principality of Monaco, around 1,900 cross-border workers were estimated between Italy and France in 2006, around 500 from France to Italy (especially employed in agriculture, construction, trade, hotels and restaurants, health and social work), and around 1,400 in the opposite direction (mainly found in hotels and restaurants, construction, trade and transport); in 2007, around 3,700 frontier workers were estimated from Italy to Monaco, and 21,400 from France to Monaco (generally employed in construction, trade, real estate, renting and business activities as well as hotels and restaurants).
Around 60% of cross-border workers are men, they are mostly young and middle aged, and generally middle-skilled. They are mainly seasonal workers, generally employees with fixed-term employment contracts.

The 2011 IRTUC report ‘Development of the role of the IRTUCs in strengthening cross border cooperation in the field of collective bargaining’ shows higher flows of cross-border workers, around 900 individuals from France to Italy, and around 2,500 units from Italy to France. Frontier workers in the Principality of Monaco are reported to be around 3,600 from Italy and approximately 39,000 from France.

3.4 Austria/Slovenia

According to the abovementioned study carried out by MKW GmbH (in this case based on information provided by the EURES cross-border partnership, the Statistical Offices of Slovenia and Austria, and the Statistical database of the Economic Chamber of Austria), the number of cross-border workers between Austria and Slovenia in 2006 was around 3,500, of which 3,000 from Slovenia to Austria and 500 in the opposite direction. Most of Slovenians working in Austria are active in the sectors of hotel industry, construction and manufacturing, and to a lesser extent commerce, agriculture and health.

Among cross-border workers between these two countries, there is a slight prevalence of men, and a high concentration in the 25-40 age group. They are mostly middle- to low-skilled, especially those from Slovenia to Austria, who are also prevalingly employed with fixed-term contracts.

3.5 Frontier workers in Switzerland

The Swiss Federal Statistical Office (FSO) systematically releases detailed statistics on cross-border workers (Cross-border Commuter Statistics, CCS), produced starting from Job Statistics (JOBSTAT) and the Central Information System on Migration.

According to the FSO, frontier workers represented 5.2% of employed individuals in Switzerland (around 245,000 out of 4,719,000) in 2011 (see Table 1). This share is particularly high in some Cantons; for example, in Ticino the share of cross-border workers is around 23%, indicating that nearly 1 in 4 workers is a frontier worker (more than 50,000 out of 220,000).

According to the latest release of figures (March 2013), the number of cross-border commuters working in Switzerland rose by 4.8% between the last quarter of 2011 and the last quarter of 2012, up to around 264,000. This is 12,000 more than in the same quarter of 2011 and 32,000 more than in the same quarter of 2010 (+13.7%). As highlighted by the FSO, there has been a continuous increase in cross-border commuters over the last few years.

According to the FSO Swiss Earnings Structure Survey 2010, in that year the median gross monthly wage in Switzerland was 6,210 Swiss francs (for private and public sectors combined). The median for Swiss nationals was 6,490, for cross-border workers it was around 600 francs lower (5,904, 9% below the Swiss level). The differential was higher among men (-13.29%) than among women (-6.38%). When disaggregating by level of
qualification, men continue to suffer from a negative gap, while women with high qualifications (i.e. performing extremely demanding and difficult tasks; performing independent and skilled work; and performing work requiring professional/technical skills) even show a wage premium when compared to Swiss nationals. Women performing simple and repetitive tasks present a 9% negative gap when compared to their national counterparts.
Table 1. Cross-border workers in Switzerland

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>T1</td>
<td>T2</td>
<td>T3</td>
</tr>
<tr>
<td>Total cross-border workers in CH</td>
<td>225,292</td>
<td>231,093</td>
<td>233,112</td>
</tr>
<tr>
<td>Italian cross-border workers</td>
<td>50,756</td>
<td>52,431</td>
<td>52,780</td>
</tr>
<tr>
<td>% of cross-border workers in CH</td>
<td>22.53</td>
<td>22.69</td>
<td>22.64</td>
</tr>
<tr>
<td>% of Italian cross-border workers</td>
<td>6.69</td>
<td>7.21</td>
<td>7.35</td>
</tr>
<tr>
<td>% of Italian cross-border workers</td>
<td>90.97</td>
<td>90.38</td>
<td>90.22</td>
</tr>
<tr>
<td>Valais / Wallis</td>
<td>814</td>
<td>882</td>
<td>903</td>
</tr>
<tr>
<td>% of Italian cross-border workers</td>
<td>1.60</td>
<td>1.68</td>
<td>1.71</td>
</tr>
<tr>
<td>Other Cantons</td>
<td>374</td>
<td>384</td>
<td>379</td>
</tr>
<tr>
<td>% of Italian cross-border workers</td>
<td>0.74</td>
<td>0.73</td>
<td>0.72</td>
</tr>
<tr>
<td>French cross-border workers</td>
<td>118,597</td>
<td>121,225</td>
<td>122,112</td>
</tr>
<tr>
<td>% of cross-border workers in CH</td>
<td>52.64</td>
<td>52.46</td>
<td>52.38</td>
</tr>
<tr>
<td>Basel-Landschaft</td>
<td>10,835</td>
<td>10,909</td>
<td>10,826</td>
</tr>
<tr>
<td>% of French cross-border workers</td>
<td>9.14</td>
<td>9.00</td>
<td>8.87</td>
</tr>
<tr>
<td>Basel-Stadt</td>
<td>16,761</td>
<td>17,117</td>
<td>17,127</td>
</tr>
<tr>
<td>Genève</td>
<td>54,999</td>
<td>56,103</td>
<td>56,817</td>
</tr>
<tr>
<td>% of French cross-border workers</td>
<td>46.37</td>
<td>46.28</td>
<td>46.53</td>
</tr>
<tr>
<td>Neuchâtel</td>
<td>7,871</td>
<td>8,086</td>
<td>8,174</td>
</tr>
<tr>
<td>% of French cross-border workers</td>
<td>6.64</td>
<td>6.67</td>
<td>6.69</td>
</tr>
<tr>
<td>Vaud</td>
<td>17,415</td>
<td>17,970</td>
<td>18,132</td>
</tr>
</tbody>
</table>

InArco Project
Paper on “Cross-border work in the EU labour market”
### InArco Project

Paper on "Cross-border work in the EU labour market"

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>% of French cross-border workers</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Other Cantons</td>
<td>14.68</td>
<td>14.82</td>
<td>14.85</td>
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<td></td>
<td>14.98</td>
<td>15.20</td>
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<td>15.78</td>
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<td>16.09</td>
</tr>
<tr>
<td></td>
<td>16.23</td>
<td>16.29</td>
<td></td>
</tr>
<tr>
<td><strong>% of French cross-border workers</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Other Cantons</td>
<td>9.04</td>
<td>9.11</td>
<td>9.04</td>
</tr>
<tr>
<td></td>
<td>9.06</td>
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<td></td>
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<td>9.50</td>
<td>9.73</td>
</tr>
<tr>
<td></td>
<td>9.76</td>
<td>9.60</td>
<td></td>
</tr>
<tr>
<td><strong>Austrian cross-border workers</strong></td>
<td>7,201</td>
<td>7,392</td>
<td>7,471</td>
</tr>
<tr>
<td><strong>% of cross-border workers in CH</strong></td>
<td>3.20</td>
<td>3.20</td>
<td>3.19</td>
</tr>
<tr>
<td></td>
<td>3.19</td>
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<tr>
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<td>3.21</td>
<td>3.21</td>
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<tr>
<td></td>
<td>3.10</td>
<td>3.07</td>
<td>3.03</td>
</tr>
<tr>
<td><strong>Graubünden / Grigioni / Grischun</strong></td>
<td>438</td>
<td>421</td>
<td>430</td>
</tr>
<tr>
<td></td>
<td>454</td>
<td>467</td>
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<td>473</td>
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<tr>
<td></td>
<td>446</td>
<td>425</td>
<td></td>
</tr>
<tr>
<td><strong>% of Austrian cross-border workers</strong></td>
<td>6.09</td>
<td>5.70</td>
<td>5.76</td>
</tr>
<tr>
<td></td>
<td>6.13</td>
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<td>5.47</td>
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</tr>
<tr>
<td></td>
<td>5.32</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>St. Gallen</strong></td>
<td>6,085</td>
<td>6,222</td>
<td>6,237</td>
</tr>
<tr>
<td></td>
<td>6,201</td>
<td>6,519</td>
<td>6,663</td>
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<tr>
<td></td>
<td>6,690</td>
<td>6,799</td>
<td>6,893</td>
</tr>
<tr>
<td></td>
<td>6,870</td>
<td>6,844</td>
<td>6,742</td>
</tr>
<tr>
<td><strong>% of Austrian cross-border workers</strong></td>
<td>84.49</td>
<td>84.17</td>
<td>83.47</td>
</tr>
<tr>
<td></td>
<td>83.63</td>
<td>83.98</td>
<td>84.27</td>
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<td></td>
<td>84.26</td>
<td>84.12</td>
<td>83.92</td>
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<tr>
<td></td>
<td>84.69</td>
<td>84.29</td>
<td>84.39</td>
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<tr>
<td><strong>Other Cantons</strong></td>
<td>678</td>
<td>749</td>
<td>804</td>
</tr>
<tr>
<td></td>
<td>760</td>
<td>776</td>
<td>789</td>
</tr>
<tr>
<td></td>
<td>793</td>
<td>811</td>
<td>836</td>
</tr>
<tr>
<td></td>
<td>798</td>
<td>830</td>
<td>822</td>
</tr>
<tr>
<td><strong>% of Austrian cross-border workers</strong></td>
<td>9.42</td>
<td>10.13</td>
<td>10.77</td>
</tr>
<tr>
<td></td>
<td>10.24</td>
<td>10.00</td>
<td>9.98</td>
</tr>
<tr>
<td></td>
<td>9.99</td>
<td>10.03</td>
<td>10.18</td>
</tr>
<tr>
<td></td>
<td>9.84</td>
<td>10.22</td>
<td>10.29</td>
</tr>
</tbody>
</table>

3.6 France/Switzerland
According to the Swiss Cross-border Commuter Statistics, in 4Q2012 there were around 139 thousand French frontier workers in Switzerland (up from around 122 thousand in 4Q2010 and 133 thousand in 4Q2011), constituting more than half the cross-border workers in the country (see Table 1). Nearly half of these French workers (46.6%, around 65 thousand individuals) performed their activity in Genève, 16.3% (around 23 thousand) in Vaud and 12.7% (18 thousand) in Basel-Stadt. Around 40% of French frontier workers have their residence in Upper Savoy, 23% in Upper Rhein, 15% in Doubs and 12% in Ain.

According to figures from the Observatoire statistique transfrontalier de l’Arc Jurassien (OSTAJ) of the Federal Statistical Office, 37% of French frontier workers in Switzerland were women.

The average age of French cross-border workers in Switzerland is 36.5 years. They mainly work with open-ended employment contracts (CDI, Contract Duration Indéterminée).

Their level of qualification is variable, but has been increasing over the last 10 years. In the frontier urban centres (Geneva and Basel) there is a higher concentration of managerial staff, while on the Arc Jurassien cross-border workers are mostly blue-collar skilled workers.

The main sectors of activity in the secondary sector are:
- Watch manufacturing;
- Pharmaceutical industry;
- Manufacturing of machine tools and fine mechanics;
- Construction.

In the service sector, the main areas of activity are:
- hotels and restaurants;
- health;
- commerce.

3.7 Austria/Switzerland
Austrian cross-border workers in Switzerland were around 8 thousand in the last quarter of 2012 (3% of total frontier workers in the country). The vast majority works in St. Gallen (around 6.7 thousand, 84% of the total Austrians), 5% works in the Canton of Grisons.

3.8 Italy/Switzerland
According to the Swiss Cross-border Commuter Statistics, in the last quarter of 2012, there were nearly 60,960 Italian frontier workers in Switzerland, making up around 23% of total cross-border workers in the country. Over the three years considered in Table 1, the dimension of cross-border work from Italy increased even more significantly than the overall phenomenon (+6% in the last quarter of 2012 when compared to the same quarter of 2011, +15.3% on the same quarter of 2010). Around 91% of Italian cross-border workers (55,462) performed their activity in Ticino in 4Q2012, 6.7% in the Canton of Grisons (4,074) and 1.6% in the Canton of Valais (439). The distribution of cross-border workers between Cantons remained rather stable over time.
According to the MKW Report, in 2007 the number of Italian cross-border workers in Switzerland was around 44,000, reinforcing evidence of an increase in the dimension of the phenomenon over the last years. About 59% of cross-border workers in 2007 were men; 44% were in the age group 25-39, 36% were aged between 40 and 54. Female workers were on average younger; 56% of them were in the age group 15-39, the same share among men being 50%. Workers were mainly middle-skilled, and employed as permanent employees.

Using figures released by the Statistical Office of the Canton Ticino (Ustat) it is possible to provide a more complete picture of the characteristics of the workers in this Canton. Although not all statistics are disaggregated by country of residence, since almost all frontier workers are Italian it is possible to infer a lot about the features of the phenomenon of Italian cross-border work in the Canton.

As highlighted in Table 2, cross-border commuters are predominantly men; out of the 55,462 Italian frontier workers in Canton Ticino in 4Q2012, almost 34 thousand were males (60.75%).

In the last quarter of 2012, around 20% of cross-border workers in Ticino were below 30 years of age, 60% in their thirties or forties. 54.5% of workers were employed in the service sector (mostly wholesale and retail), 45.5% in the industry sector (mostly in manufacturing and construction), and 1% in the primary sector. Frontier workers represented 47% of employment in the secondary sector and 15% in the tertiary sector in 2008.

### Table 2. Cross-border workers in Canton Ticino – 4th quarter 2012

<table>
<thead>
<tr>
<th></th>
<th>N.</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All frontier workers</strong></td>
<td>55,554</td>
<td></td>
</tr>
<tr>
<td>- By gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>33,749</td>
<td>60.75</td>
</tr>
<tr>
<td>Female</td>
<td>21,805</td>
<td>39.25</td>
</tr>
<tr>
<td>- By age group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15 - 19</td>
<td>638</td>
<td>1.15</td>
</tr>
<tr>
<td>20 - 24</td>
<td>3,647</td>
<td>6.56</td>
</tr>
<tr>
<td>25 - 29</td>
<td>6,567</td>
<td>11.82</td>
</tr>
<tr>
<td>30 - 34</td>
<td>7,630</td>
<td>13.74</td>
</tr>
<tr>
<td>35 - 39</td>
<td>8,872</td>
<td>15.97</td>
</tr>
<tr>
<td>40 - 44</td>
<td>8,677</td>
<td>15.62</td>
</tr>
<tr>
<td>45 - 49</td>
<td>8,011</td>
<td>14.42</td>
</tr>
<tr>
<td>50 - 54</td>
<td>5,225</td>
<td>9.41</td>
</tr>
<tr>
<td>55 - 59</td>
<td>3,456</td>
<td>6.22</td>
</tr>
<tr>
<td>60+</td>
<td>2,830</td>
<td>5.09</td>
</tr>
<tr>
<td>- By economic sector</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td>513</td>
<td>0.92</td>
</tr>
<tr>
<td>Secondary</td>
<td>24,756</td>
<td>44.56</td>
</tr>
<tr>
<td>Tertiary</td>
<td>30,285</td>
<td>54.51</td>
</tr>
<tr>
<td><strong>Italian frontier workers</strong></td>
<td>55,462</td>
<td></td>
</tr>
</tbody>
</table>
- By gender

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>33,694</td>
<td>21,768</td>
</tr>
<tr>
<td>Percent</td>
<td>60.75</td>
<td>39.25</td>
</tr>
</tbody>
</table>

Source: Statistical Office of the Canton Ticino and own calculations.

According to data provided by UIL SGK, the number of cross-border workers living in Trentino-Alto Adige/Südtirol and active in Switzerland have been declining over most of the 2000s, from 506 in 2000 to 413 in 2003, then rising again but dropping back to 400 in 2006-2007. In 2009 a significant increase up to 620 was registered.
4. THE REASONS FOR CROSS-BORDER WORK

The drivers of cross-border workers can be traced back to the ‘push and pull factors’ developed in migration theory. As mentioned in the MKW Report, ‘according to the “push factors” theory poverty and unemployment push people away from their home region, thus regulating the level of “out-commuting”\(^{19}\). In contrast “pull factors”, for example high income and good living conditions, attract people, “pulling” them towards a region; pull-factors regulate the level of “in-commuting”\(^{20}\).’

In general, the main determinants of cross-border flows are wage and income differentials; employment opportunities; and individual opportunity and risk assessment.

When considering the case of Italian cross-border workers in Switzerland, there is a mix of push and pull factors. On the one side, a substantial push factor is the current crisis of the Italian labour market: as a matter of fact, ‘the economic situation of Switzerland and Italy are very different; while the Swiss GDP has been growing steadily at a rate between 1.5 and 2.5% over the last years (with the sole exception of 2009), Italy is still undergoing a tough economic recession, with decreasing employment and increasing unemployment rates. As a consequence, workers losing their job in Italy are encouraged to seek employment in Switzerland’ (UIL Frontalieri Como – Le motivazioni del lavoro frontaliero). On the other hand, the chance to earn higher wages is a relevant pull factor to Switzerland: ‘the average wage in Switzerland is considerably higher than the Italian level, an employee in Switzerland earning around 80% more than what he would earn in Italy for the same type of job. This consistent difference is driven mostly by a gross wage which is indeed higher than what would be paid in Italy, and partly also by a smaller burden of tax and contribution rates’ (UIL Frontalieri Como – Le motivazioni del lavoro frontaliero).

The reasons that have brought many French residents to work in Switzerland can be reconducted more to pull factors, and include:

- ‘The dynamism of the employment sector in Switzerland;
- The variety of jobs offered;
- The availability of skilled and highly skilled jobs that are not available in the country of residence;
- higher wages;
- the good knowledge of the language spoken in the country’ (Force Ouvrière).

\(^{19}\) I.e. the perspective that commuters leave their country of residence to work in a neighbouring country.

\(^{20}\) I.e. the perspective that commuters from a neighbouring country enter the labour market of the respective country.