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Labour Mobility in the Euroregion Galicia-Norte de Portugal: Constraints Faced by Cross-border Commuters

Removing barriers to labour mobility is expected to contribute to processes of spatial integration in cross-border regions, by an efficient allocation of labour and consequently a convergence between territories separated by a common border. Nevertheless, despite the de-bordering process within the European Union, administrative, legal and language barriers still hamper cross-border labour mobility preventing the process of labour market integration. The aim of this paper is to identify obstacles to the mobility of cross-border workers commuting within the Euroregion Galicia-Norte de Portugal. Methodology combines the analysis of official data on labour mobility, with qualitative data gathered from interviews with cross-border commuters aiming to contribute to explain the different attitudes towards cross-border mobility inside this Euroregion. While traditional push and pull factors remain relevant to explain cross-border labour flows, the qualitative information adds new insights into different levels of indifference of cross-border workers. The result is a fragmented labour market where Norte de Portugal is providing low qualified-low wage labour while Galicia is contributing with well-paid and qualified labour.

Keywords: cross-border; labour mobility; drivers and barriers; Euroregion Galicia–Norte Portugal

Introduction

Removing barriers to labour mobility is expected to contribute to a more efficient allocation of labour and to increase the efficiency of the European economy, to foster social-cultural integration as well as to increase welfare and to improve both sending and receiving countries' economies (European Commission, 2010a,b; Bonin *et al*, 2008). Accordingly, mobility within the EU (European Union) has been encouraged as a major goal to the economic integration process (Gottholmseder and Theurl, 2007). The principle of the free movement of workers is laid

down in Article 45 of the Treaty on the Functioning of the European Union (previously Article 39 EC), which gives European citizens the right to move freely within the EU without being discriminated on grounds of nationality (EC, 2010a). To provide information and advice to potential mobile workers and to facilitate the free movement of workers, the European Commission created a European Job Mobility Portal (EURES). However, despite EURES and the existing body of EU law, labour mobility within the EU is still facing obstacles and difficulties. A number of reasons have been suggested to explain the low level of intra-EU labour mobility. Among others, the legal and administrative barriers, the lack of familiarity with other European languages and cultures, the financial costs of moving, the social security constraints, like the limited portability of pension rights, or even socio-economic and personal characteristics (Bouwens, 2004; Heinz and Ward-Warmedinger, 2006; Gottholmseder and Theurl, 2007; EC, 2010b; Huber and Nowotny, 2013). For the EU to eliminate these barriers it is important to identify and understand the obstacles preventing the process of labour market integration. Those obstacles are penalizing both to regions where a potential demand for labour cannot be satisfied locally, as well as to workers whose mobility is limited, or even prevented.

The Euroregion Galicia-Norte de Portugal has been one of the most dynamic in cross-border cooperation between Portugal and Spain, materialized in an intense institutional and economic cooperation, partly due to cultural and language proximity (Salgado *et al.*, 2006; Pinheiro, 2009; Medeiros, 2011; Pires and Lange, 2012; Lange, 2015). Yet cross-border mobility is still scarcely analysed within this territorial context. This article intends to debate the ways in which borders impact daily life practices of people living in borderland areas, such as work, and how cross-border labour mobility can contribute to the process of integration of both territories, to the territorial cohesion of the Euroregion and to the common spatial development policies approved by the local institutional stakeholders. Namely, in 2015 a *Smart Specialisation Strategy for Galicia and Norte de Portugal (2015-2020 RIS3T)*, designed by the Galician Innovation

Agency (GAIN) and the Regional Coordination and Development Commission of the North Region (CCDRN), was approved with a shared vision to achieve economic and social progress through the promotion of smart, sustainable and integrated growth (RIS3T, 2015). In the Joint Investment Plan of the Euroregion Galicia-North of Portugal (2014-2020) promoted by CCDRN and Xunta da Galicia, a strategic axis on *A competitive region betting on employment* was included to promote cross-border labour mobility through mutual recognition of qualifications and professional competences and the use of information services.

In this article we will discuss the main reasons that discourage citizens from crossing the border for working purposes in the Euroregion Galicia-Norte de Portugal, one that is not considered a “hot boundary” (Pinheiro, 2009, p. 80) as it has a common cultural identity and has not had any diplomatic or sovereignty conflicts for a long time.

Our theoretical approach combines the discussion of the push and pull factors which explain labour migration flow mainly from an economic perspective, the concept of (un)familiarity to explain the different willingness to move of the Portuguese to Galicia and the Galician to the Norte de Portugal as well as the dual labour market theory to discuss the effects of this cross-border mobility to the creation of an integrated or segmented labour market in the Euroregion.

The empirical study includes two parts, a quantitative analysis of public statistics and a qualitative analysis of original data. We will start by quantifying this phenomenon using EURES official data on the labour mobility within the Euroregion, by volume and by economic branches. The second part includes content analysis of a set of 22 in-depth semi-structured interviews with employees who are, or have been, mobile across the border in this Euroregion. Those interviews were conducted with Portuguese commuters working in Galicia (10 interviews), as well as Galician commuters working in the Norte de Portugal (12 interviews). Interviewees were asked about the main problems/difficulties they face due to having a permanent residence on one side

of the border and working on the other side; they also shared their overall opinion of their experience of cross-border labour mobility. The qualitative information brings new insights into different levels of cross-border indifference of both Galician and Portuguese commuters.

The rest of the article is organized as follows: in the next session it will be discuss the conceptual and analytical framework, as well as EU cross-border labour mobility. It will proceed with a brief presentation of the Euroregion Norte de Portugal-Galicia, followed by a discussion on the cross-border labour commuting in the Euroregion Galicia-Norte de Portugal, using statistical data. Finally, we debate the obstacles that hinder these mobility flows using data from the interviews undertaken with cross-border commuters and their contribution to the territorial cohesion and the creation of an integrated labour market within the Euroregion.

Cross-border labour commuting: drivers and barriers

Cross-border labour commuting, the main focus of this study, represents a specific form of labour mobility as it results from the combination between ‘daily’ and ‘mobility’ (Gerber, 2012). Despite some ambiguity associated with this type of mobility (where social protection is concerned with the principles and arrangements applicable to frontier workers are the same, but regarding taxation they depend on bilateral taxation agreements signed by European States), the EU defines cross-border commuters, based on a political and a temporal criterion, as those frontier workers who perform professional activities in one EU country but live in another and return daily, or at least once a week (EC, 2009). Some studies also include individuals working for several weeks and months in another eligible region or on a seasonal basis, namely in tourism, however maintaining their place of residence (VIRTUS, 2012).

There are multiple reasons to explain why people move across regions for work purposes. Push and pull theory supports this explanation mainly in economic factors and on regional income and wage inequality. In this sense, labour migration will be primarily economically

motivated and labour will move from a low wage and poor employment opportunities region to a high wage region. The extension of these flows will depend on the cost of moving, on the distance, and on other non-economic factors like language, transferability of skills and the existence of social network that will contribute to reduce the risks of mobility (Massey *et al*, 1993; Borjas, 1995; Zimmermann, 1996; Mayda, 2005; Green, 2011).

In some territorial contexts the ease with which a border is crossed for work purposes is not only a consequence of economic push and pull factors, but also related with personal behaviour based on cultural and social aspects (Faist, 2016). In fact, there are sensitive territorial resources related with cultural features which are relevant to understand different rhythms in the European integration processes, stronger in some specific territorial contexts (as some Euroregions), which justify “a peoples’ approach that inserts the human dimension on the border construction” (González-Gómez, and Gualda, 2014, p. 1408). Developing this human dimension, Spierings and Van der Velde (2008, 2013b) and Van der Veld (2012) use the concept of ‘bandwidth of unfamiliarity’, to overcome the difficulty to draw a clear line between emotionality and rationality, to analyse cross-border mobility behaviours. The ‘bandwidth of unfamiliarity’, meaning the degree of unfamiliarity one is willing to accept before it leads to immobility, is composed of two blocks of rational and emotional factors keep-repel factors act as strengths that will contribute to the worker’s decision for mobility or immobility (Van Houtum and Van der Velde, 2004; Van der Velde, Janssen and Van Houtum, 2005; Spierings and Van der Velde, 2008; Spierings, and Van der Velde, 2013a,b).

The dual labour market theory, considers that labour markets are structured in two segments; the primary segment where wages are high, career progression and labour relations are stable and the secondary one where wages are low, labour relations are temporary, longer working hours and employees are more tolerant of employment conditions (Reich, Gordon & Edwards, 1973). This market segmentation thus places workers in situations of unequal labour

market conditions; immigrants are situated in low-wage secondary segment (Piore 1979). If cross-border labour mobility has a potential to contribute to promote the territorial cohesion between both sides of a common border, it is expected that should act to decrease or attenuate the segmentation of the Euroregion labour market.

There are already plenty of examples of cross-border commuting flows between EU countries. In many cases, traditional push-pull factors, like inequalities in wages and employment opportunities, can explain this type of labour mobility to a great extent (Kaska and Paas, 2013; Wiesböck, et al, 2016). Sometimes it can be more temporary, like the location of a German call-centre on the Danish side of the border, which stimulated cross-border mobility of German low qualified and part-time commuters until it was closed in 2007 (Klatt, 2014). In other cases, the attraction of foreign labour acts as an adjustment variable in a growing regional economy unable to meet the high demand for workers, triggering a more persistent labour migration. For instance, between Lorraine in France to Luxembourg, commuters make up more than 44% of the workforce, which put the Grand-Duchy borders among the most permeable to cross-border workers in Europe (Auburtin, 2005; Gerber, 2012; Decoville and Durand, 2016).

Nevertheless “(i)n 2015, the total number of EU-28 cross-border workers working in another EU-28 country was around 1.3 million, making up 0.6% of all employed across the EU-28. Of these, 93% were working in an EU-15 Member State, with the remaining 7% working in EU-13 countries” (Fries-Tersch, Tugran & Bradley, 2017, p. 80), which means that a vast number of barriers persist and obstruct real labour market integration. A systematization of the most relevant reasons why labour markets in the EU are characterized by low levels of geographic mobility include: the existence of legal and administrative barriers; unfamiliarity with other European languages and cultures; the financial costs of moving; the inefficient housing markets; the limited portability of pension rights; the lack of clarity in the international recognition of professional qualifications and non-formal learning; skills and competences that are location-

specific and are not transferable to other places; and the lack of transparency of job openings (Tassinopoulos and Werner, 1999; Hansen and Naharsedt, 2000; Heinz and Ward-Warmedinger, 2006; EC, 2010b; Knippschild, 2011; Ramírez and Winkler, 2012; Verwiebe *et al.*, 2015). Other approaches also emphasize personal attitudes and emotional factors (Bouwens, 2004; Gottholmseder and Theurl, 2007; Spierings and Van der Velde, 2008; Huber and Nowotny, 2013), as well as the existence of social networks (Galgoczi *et al.*, 2011; Verwiebe *et al.*, 2015) that can influence the willingness to work abroad and the (individual) mobility decisions.

A Eurobarometer survey on labour mobility (EC, 2010 b), conducted at the end of 2009, on a sample of almost 27,000 EU citizens aged 15 years and older, from both metropolitan and rural areas identified the lack of language skills and the lack of knowledge about how to seek a job abroad as the main practical difficulties expected or encountered while working abroad. Despite all efforts, only 12% of Europeans have heard of EURES, implemented by the European Commission in 1993, and its potential to help both jobseekers to find jobs, and employers to recruit in other European countries.

<Figure 1 about Here>

Some perceived barriers to labour mobility are related to the challenge of adapting to a different culture, with other values, practices, behaviours and attitudes. When questioned “what would be the reasons which might discourage you from working abroad”, the sense of belonging and the fear of losing one’s family and social networks came in first place (“Your home is here”: 39 %; “You would not want to impose big changes on your family and/or children”: 27 %; “You do not want to leave your friends behind”: 21%). On the other hand, the “reasons [that] might encourage to work in another country” were primarily economically motivated (“Better quality

of life abroad”: 29 %; “Better working conditions”: 27 %; “Better career or business opportunities”: 23 %; “Better chances of finding employment”: 21 %) (EC, 2010 b).

Therefore, it seems that the decision to work in another country results from the trade-off between cultural and social factors, which invite to stay, and economic ones, that encourage mobility. Labour mobility is thus simultaneously influenced by barriers related to the institutional and jurisdictional framework the workers are confronted with, as well as by socio-economic and personal characteristics (such as age, education, previous migration experience, deprivation, networks abroad, being single or having children) and other cultural and psychological factors that can influence cross-border labour practices.

In the following sections it will be debated the constraints faced by cross-border commuters in the specific case of the Euroregion Galicia-Norte de Portugal; a Euroregion with significant complementarities in the demographic and economic structure, as well as between its socio-economic institutions and innovation capabilities on either side of the border, which is often seen as the main drivers of cross-border interaction (Broek and Smulders, 2013).

The Euroregion Galicia-Norte de Portugal

The Euroregion Galicia – Norte de Portugal is considered a pioneer in the EU context in promoting cross-border cooperation by getting together, since the early 80’s, institutional efforts from both sides of the Spanish-Portuguese border (Lange, 2015). The peripheral position of Galicia towards the core industrial and economic regions of Spain, and its geographic proximity to one of the most industrialized regions of Portugal stimulated cross-border interaction soon after the political and administrative constraints related to the border ended after joint EU accession in 1986. Language and cultural proximity, as well as physical proximity and the long tradition of informal cross-border relations, even during Iberian

dictatorship regimes (that ended in mid-70's), created a favourable environment that stimulated cross-border economic cooperation (Domínguez *et al.*, 2004).

To reinforce cross-border cooperation the Galicia – Norte de Portugal Working Community was established in 1991 and in 2008 the Galicia-Norte de Portugal European Grouping of Territorial Cooperation (GNP, AECT) was approved with the aim of optimising the resources of both territories. Apart from these bodies of cooperation others are also contributing to intensify cross-border cooperation within this Euroregion, namely the Eixo Atlántico Association founded in 1992 as a cooperation network of 13 cities, and the Euroregional Studies Centre (CEER) created in 2002 by the Norte de Portugal and Galician universities (Trillo-Santamaría, 2014). Besides that, there are also two Eurocities in consolidation in this Euroregion: Chaves (Portugal)-Verin (Spain) and Valença (Portugal)-Tui (Spain) (Figure 2).

<Figure 2 about Here>

The Euroregion has an estimated population of 6.4 million inhabitants, of which 57% live in Norte de Portugal. Besides being more populated, the most distinctive aspect is that Norte de Portugal has a younger population, which can be an advantage over Galicia, whose population has an ageing rate above Spanish average (Table 1).

<Table 1 about Here>

EU funded projects, namely in the framework of INTERREG-A, had a crucial role in reducing the barrier effect in the Portuguese-Spanish border, mostly in Algarve-Andalucía and in Norte-Galicia (Medeiros, 2014). Cross-border interactions improved considerably in this Euroregion after the construction of new highways and a new bridge over the river Minho that defines the boundary. At present, crossing the border is very easy and its effects on daily contacts can be seen by the high traffic intensity on the motorway connecting the two regions, as a way to explore complementarities between its economic tissues, more focused on services in Galicia and with a higher representation of manufacturing activities in Norte de Portugal. Galician–Norte de Portugal’s daily vehicles flows across its eight border crossings points, represented, in 2012, 50% of all Spanish-Portuguese ones. Because of the intense interaction between the two regions, the recent decision to charge tolls on the Portuguese motorways has been the subject of protest both by Portuguese retail traders, fearing the loss of potential Spanish consumers, and by Galicians that frequently visit Norte de Portugal for leisure or business.

Manufacturing branch structures are diverse (textiles dominate the industrial composition of manufacturing firms in Norte Portugal and metals and food and beverages in Galicia) and the possibility to explore complementarities was an additional incentive to economic cross-border cooperation. Besides, the recent economic upsurge of the Galician economy, supported both on locally based yet global companies like Inditex (that owns the label ZARA among others), and on foreign investments (like the French PSA automobile facility in Vigo, Pontevedra), also intensified cross-border economic integration (Pires, 2008).

Next to cross-border flows of capital and goods inside this Euroregion, the mobility of people as well as labour mobility has also grown significantly justifying the creation, in 1997, of the ‘EURES NP-G’ in this border region.

Cross-border Labour commuting in the Euroregion Galicia-Norte de Portugal

Methods

The study of cross-border labour mobility in the Euroregion Norte de Portugal-Galicia is a complicated task, due to the differing levels of administrative autonomy in each of these regions. While administrative autonomy is high in Galicia, the Norte region depends on the national government, because Portugal has a centralised political system. As such, data collected at the regional level for Galicia are difficult to compare with Portuguese data collected at the national level. In addition, the abolition of borders and geographical proximity has stimulated non-formalized and seasonal employment, which is difficult to capture in official statistics. To overcome these problems, the EURES G-NP has collected data from public bodies to provide information on cross-border labour, for instance from Social Security, Employment Observatories, Institute of Employment and Training Service, Immigration and Borders Service, to National Statistical Institutes. However, this information is quite recent, fragmented and not always comparable between the two regions. Data refers to foreigners with a labour contract in an enterprise in Norte de Portugal or in Galicia and it doesn't distinguish between various types of mobility: the classic migrant worker, the frontier worker who commutes on a daily or weekly basis, and the temporarily displaced worker employed by a company in another country. It also does not capture flexible workers without a labour contract (EURES NP-G, 2014).

Despite those limitations, in the first part of the empirical study we will mobilize the official statistical information provided by EURES as an introduction to the phenomenon of cross-border labour mobility within the Euroregion. It contains data concerning gender, age and occupational group.

The second part is based on the information provided by 22 in-depth semi-structured interviews that were undertaken with workers who have their permanent residence in the Norte de Portugal and work in Galicia (interviews B), or live in Galicia but have their professional activity in Norte de Portugal (interviews A). The interviews aimed to detect experienced barriers that hinder the creation of a more integrated labour market in this Euroregion.

Cross-border Labour commuting

Among the foreigners living in Galicia, the Portuguese are by far the most numerous. In 2013 more than 21,670 Portuguese lived in Galicia, representing 20 % of the foreign population but not all of them for work purposes as this figure include also a high number of Portuguese students that entered Spanish universities after some courses in Portuguese universities were subjected to reduced *numerus clausus*, like Medicine. By contrast, less than three thousand Spaniards live in Norte de Portugal (2013), of which almost half live in Porto, the second largest Portuguese metropolitan area (EURES NP-G, 2014).

Considering those who had a labour contract, 6,930 Portuguese citizens were employed in 2013 by a Galician company (Figure 3). Despite this figure being much lower than the one registered in 2007, when 20,644 Portuguese worked in Galicia, they represent by far the largest foreign labour community working in Galicia. On the other hand, there were only 1.800 Spanish citizens employed in the Norte de Portugal in 2013, almost a quarter of the Portuguese workers in Galicia in the same year.

<Figure 3 about Here>

To a large extent, push and pull factors can explain the size and orientation of these flows. The Galician economic development, especially between 2001 and 2009, acted as a pull factor, attracting thousands of Portuguese workers willing to accept more flexible working conditions and tasks turned down by Galician workers, because the wages offered were still higher than in Portugal. Therefore, soon after the economic crisis started in Norte de Portugal, the flows of employees towards Galicia grew sharply and peaked in 2007.

The structural crisis affecting the Norte de Portugal economy, too dependent on traditional labour intensive low-wages manufacturing, like clothing, acted as a push factor. Due to the abundance of young labour force, Norte region attracted in the last decades foreign companies that, especially after the 90's economic crises and rising wages, were closed or relocated. Portuguese firms by themselves were unable to impose their own labels on the European market, as the Galician industry managed to do. As a result, the region faced an increasing international competition and high unemployment rates, so workers were forced to widen their job search to also include offers from Galicia, on the other side of the border (Figure 4).

More recently, high levels of unemployment were also observed in civil construction in Portugal after decades of constant growth of real estate due to easy access to bank mortgages and low interest rates. Civil construction companies from the Norte region were also affected by the 2008 economic crisis, and are presently working in Galicia, subcontracted to develop parts of construction works and these bring their own work force from Portugal. As those firms have to register before starting their activity, there is some information about their number: in 2010, 68 out of 77 foreign firms with permits to develop activities in civil construction in Galicia were Portuguese, with an average time of displacement varying between 165 and 228 days (EURES NP-G, 2011). To quantify the number of workers they

displace is a more difficult task. Both situations point towards the fact that the large majority of Portuguese workers in Galicia are employed in civil construction.

<Figure 4 about Here>

Articles published in the national and regional press in Portugal on cross-border workers emphasize the extent of precarious, often illegal employment, the discrimination, low wages and poor living conditions of the Portuguese construction workers in Galicia. Frequently they are employed in Portugal and transferred in a daily or weekly base to work in Galicia. They are not registered in the Galician social security system (and sometimes neither are they registered in the Portuguese one), do not receive any social assistance, and are subjected to working conditions worse than those of Galician workers. As the labour market continues to be regulated at the national level, discrepancies marked by the border that are unfair both to native and migrant workers, are used by employers to improve their profits (Pijpers, 2011). For their part, Galician newspapers emphasize the dynamism of the Galician economy, the widespread access to purchasing a house which caused a tremendous growth in civil construction, and the fact that those activities are unattractive for young Spaniards who, even if working in this sector, prefer to move to other Spanish provinces where wages are higher (Canto *et al.*, 2007).

Then, the economic crisis sorely hit Galicia's economy also, and the intensity of flows reduced extensively and the community of Portuguese workers in Galicia was decreased by 2/3 between 2007 and 2013, illustrating how cross-border commuting can be a temporary affair (Klatt, This downward trend was transversal to other immigrant communities in Spain,

like the Bulgarians and the Romanians (Van der Velde, 2014) and confirms how labour mobility is interconnected with the dynamics of the economy. Like Galgoczi and Leschke (2015, p. 25) say, “migrant workers were often severely affected as, because of their more precarious labour market situation, it was comparatively easier to use them as a labour market buffer in receiving countries”. The growth and subsequent crisis in civil construction and real estate in Galicia are clearly related with the upturn and downturn of the number of Portuguese working in the region. Besides civil construction Portuguese workers are also working in restaurants and in transportation. These seem to be refuge sectors for those who continue to seek employment in Galicia after the civil construction crisis.

For their part Galicians working in the Norte de Portugal are mainly employed in manufacturing, as some Galician companies moved to manufacturing parks in the Norte de Portugal, namely in Valença do Minho and Vila Nova da Cerveira – municipalities close to the border - to reduce labour cost (Figure 5). They are also employed in services like wholesale and retail trade. These job vacancies are related to the creation of distribution networks for their products in Norte de Portugal by opening small commercial offices as well as large stores (like El Corte Inglés). Besides those activities Galicians are also present in high-paid jobs, such as health care services that account for, in 2013, nearly 13% of the Galicians working in the Norte of Portugal.

<Figure 5 about Here>

Clearly, a labour market segmentation within the Euroregion seems to be underway, where Galician workers mostly have access to stable and highly qualified positions in the

primary segment in Norte de Portugal, while workers from this region mostly have access to jobs in the secondary segment in Galicia. One implies more stable working relations while the other is more flexible, has lower wages and implies long working hours (McCollun and Finlay, 2015). Valls (2005) reached a similar conclusion using data from an EURS report of the late 90's.

Also the average age is different. Portuguese workers in Galicia are younger (31% between 25 and 34 years old) than the Galician workers in Norte de Portugal (39% between 35 and 44 years old, in 2013). Both the activities Portuguese labourer commuters work in and the age might be indications that most of them have low levels of education and have left school early to enter the labour market, which reinforces this labour market segmentation.

Furthermore, during this period the development gap between the two regions also increased. Since the 90's Galician GDP is converging towards the EU average (75% of the EU average in 1995 and 80% in 2014), despite the different trend shown since 2009 which is explained as direct consequence of the recent financial and economic crisis affecting Spain. Norte de Portugal's economic take-off has been more problematic, and GDP value has remained stable around 60% of EU average along this period. The structural funds received by Norte de Portugal from the European Commission were not sufficient to promote the necessary structural changes in its economic tissue, still dominated by low-wage labour intensive industries.

<Figure 6 about Here>

Although economic convergence between the two regions was underway during part of the first decade of the 21st century, the difference between them is greater at the end of the

period than at the beginning, as Galicia's GDP is 20% higher than Norte de Portugal's, while in 1995 the difference was only 10%. We can observe that this process of cross-border economic integration and labour mobility has not been contributing to territorial cohesion in the Euroregion.

However, to understand the differences in the workforce mobility within this Euroregion, there may be other explanations beyond the structural crisis affecting Norte de Portugal or the conjuncture crisis affecting Galicia. Other kind of obstacles to labour mobility across this border may have been more impending to Galicians than to residents of the Norte region. This will be evaluated in the next section, based on in-depth interviews with cross-border workers.

Barriers to labour market integration in the Euroregion Galicia-Norte de Portugal

The second part of our empirical study is based on semi-structured interviews conducted to cross-border employees with ages ranging from 25 to 55, the majority undertaking daily short commuting distances, between 10 to 50 Km, although one also referred a commuting distance of 150Km.

Interviewees were asked about the main problems/difficulties they face due to having a permanent residence on one side of the border and working on the other side, what should/could be done to address or mitigate these difficulties, if they were aware that they would face these difficulties and their overall experience of cross-border labour mobility. A final question posited the hypothesis that, assuming at the time they accepted the job offer in the other country they had a similar offer at the same distance from their permanent residence, but in their own country, which one they would have opted for and why.

Some common obstacles identified on both sides of the border were administrative

formalities related to health care access and social services assistance:

We should have a unique health care card that should be valid in either region. Presently we are given a document that needs to be renewed every year, and sometimes there are delays in the renovation process which causes us problems in medical assistance. [Interview B7]

In case we choose to live in Galicia we cannot maintain our Portuguese family physician. [Interview B1]

The Galician who work across the border if they have an accident at work they have to attend a Portuguese hospital or medical centre but we would prefer to have an option to be treated either in Portugal or in Spain. [Interview A2]

The fact that in spite of the geographic proximity the two countries are in different time zones was identified as a problem because "*since the time in Portugal is different we arrived home very late at night*" [A 9].

Another difficulty pointed out by the interviewees results from the daily commute to the work place, especially when the distances are over 100km. Taking into account the reduced supply of public transport, individual transport is the only option but in this case expenses can be high (fuel, maintenance and tolls).

Another aspect frequently referred to was the lack of information in spite of the existence of the EURES NP-G, created to provide information on cross-border labour mobility: *There is still a lack of information; we do not know what our rights are when we work across the border. Many times I have asked my company and even the social security and they have no clear answer. [Interview A8]*

The interviewees also pointed out that, in spite of solutions proposed by the EU, cross-border labour migrants were treated differently than locals. In their opinion they should be treated equally, regardless of the side of the border where they came from. They still feel differences between locals and foreign born commuters in, for instance, access to medical care, as already mentioned, the application to research grants, or public vacancies.

To live in the North of Portugal and to work in Galiza doesn't give us the feeling of using a common space, it is always present that we deal with two different countries. In my opinion a public tender in a Euroregion should not discriminate a candidate based on the place of residence. [Interview B2]

My experience as one of the Portuguese workers in Galicia is that in this Euroregion we don't have the feeling of living in a common space, our daily experience shows constantly that we live in a region that belongs to two different countries [Interview B3]

However, interviewees also underlined some relevant improvements in the administrative bureaucracy. For instance, the fiscal regulations for cross-border workers were very unclear after the joint adhesion of Portugal and Spain to the EU in 1986, but have now been clarified. Taxation is due to the country where the worker spends most of the time during the year.

When I started to work in the North of Portugal, twenty years ago, the staff of fiscal departments, both in Spain and in Portugal, were not aware about how to deal with cross-border workers. One day I would be informed that I should pay my taxes in Spain, on the next day my fiscal obligations were due in Portugal. [Interview A4]

Commuters from Galicia working in Norte de Portugal complained about the higher costs charged in this region as regarding fuel and motorway tolls, compared to Galician prices. In their opinion, Portuguese employers should be more aware of those extra-costs. These differences were seen as something that prevents stronger labour market integration, from the Galician perspective. Those extra-costs do not motivate those who live in Galicia to work across the border: *To work in the North of Portugal implies extra expenses in fuel and motorway tolls, consequently there's a salary decrease* [Interview A1]. They also complain about the bureaucracy due to the use of their own car in their daily commuting: *We need a special form in order to use our car in our daily commuting to Portugal, and as we have a Spanish car registration we are constantly stopped by the police for checking, which is annoying and makes us waste time.* [Interview A9]

Regarding possible measures to minimise the difficulties felt in cross-border mobility, it was suggested that firms should work together with the government and other bodies in a commitment to assist commuters. For instance, concessions of company cars; economic subsidies towards vehicle expenses, fuel and tolls; reduction of the daily work hours; and flexibility of work schedule are some aspects that could greatly facilitate the quality of life of a cross-border worker.

Finally, in spite of these obstacles all respondents positively assessed their cross-border labour experience in their narratives, however with differences for each region that can be better explained based on emotional reasons, rather than on rational ones. The results of these interviews suggest that the “bandwidth of unfamiliarity” (Spierings and Van der Velde, 2013a, 2013b) is different between Galicia and Norte de Portugal, helping us to understand the different magnitudes expressed in the figures of the cross-border labour mobility between these two border regions. Not only rational factors interfere in the mobility attitudes in the specific context of this Euroregion, as we have seen in the previous section as there seem to

be emotional reasons playing a not negligible role in the decision between mobility or immobility. When the interviewed persons were asked which job they would hypothetically choose if there was a vacancy in Galicia and in Norte de Portugal with similar professional requirements and at the same distance from their residence, for those living in Norte de Portugal it appeared to be irrelevant choosing one or another option, but Galicians would clearly prefer the job vacancy in Galicia. Furthermore, in spite of growing unemployment in Galicia, Galicians don't show willingness to accept jobs in Norte de Portugal if they don't belong to the primary segment of the labour market.

In the previous section economic push and pull factors stood out to explain two different realities of cross-border flows and how it is contributing to create a segmented labour market. The different answers to the last question do suggest in some way, that there are also emotional reasons that contribute to explain the different cross-border labour mobility of the Galician and the Portuguese within the Euroregion Galicia-Norte de Portugal. It also seems to be relevant to include the human dimension in the border experience, as the influence of territorially sensitive resources based on cultural features and related to more personal behaviour are also relevant to understand the differences in the magnitude of the cross-border labour mobility flows in this Euroregion.

Conclusion

Portuguese and Spanish joint adhesion to the EU in 1986 led to cross-border cooperation in the Euroregion Galicia-Norte de Portugal, the first one to be created along this border. The reduction of trade barriers and investment restrictions unchained a process of intensive cross-border investment and trade flows as a direct consequence of the de-bordering process. As a result this is one of the border regions where the highest levels of economic integration along

the Portuguese-Spanish border can be found. Apart from investments and trade, labour mobility has also increased.

Cross-border labour mobility seems to be strongly linked to the economic dynamism of each region. In the Norte de Portugal, poor economic growth and lack of job opportunities were strong push factors that lead to cross-border labour mobility. Thus the labour market of Norte de Portugal was able to respond to the increasing demand for labour resulting from the dynamism of the Galician economy, particularly due to civil construction and real estate activities boom. Wage differentials, higher in Galicia, as well as geographical proximity also acted as push factors that stimulated labour commuting on a daily or weekly base. These findings are in line with studies on the aggregate cross-border commuting pattern in the bordering regions of Belgium, France, Germany and Luxembourg where unemployment and asymmetries in income shown to have a major relevance in the flow orientation (Matha and Wintr, 2009) while the size of those flows will be influenced by the differential in terms of wealth between the two countries. All this fits into a classical push-pull model where cross-border interaction feed on inequalities between territories.

Furthermore, a clear labour market segmentation was also observed as while Spanish workers in Norte de Portugal are filling job vacancies related with high qualified and high-paid jobs, such as health care services, Portuguese workers are filling job vacancies in civil construction which is unattractive for young Spaniards who, even if working in this sector, prefer to move to other Spanish provinces where wages are higher. Past and current cross-border strategic development policies approved by local institutional stakeholders, did not pay much attention to the implementation of specific policies to regulate the employment market in this Euroregion and specifically the cross-border labour mobility flows. The absence of these policies has been allowing the role of worker commuters flows to reinforce the labour market segmentation observed in this Euroregion, and consequently the cross-border labour

mobility is not contributing to a sustainable process of spatial integration between Galicia and Norte de Portugal. Therefore there is the risk that this labour market segmentation perpetuates in time and that Portuguese and Galician workers will become associated with a particular segment of the labour market in the destination region. This segmentation is likely to hinder the territorial and social cohesion of the Euroregion, reinforcing the economic divergence and the development gap between the two regions. As Decoville *et al.* (2013) have pointed out, an intense cross-border interaction doesn't always lead to regional convergence, as it was in the case of this Euroregion. Although economic convergence between the two regions was underway during part of the first decade of the 21st century, the difference between their GDP is greater in 2007 compared with the one in 1995.

Nevertheless, even if cross-border commuting is a reality, barriers still persist hindering higher cross-border labour mobility. Examples of those barriers are the differences in labour cost, distinct regulatory frameworks, as well as other regional differences in tax levels and living costs, for instance in energy, fuel, motorway tolls and housing. Some of those constraints demand integrated spatial development plans with a common strategy to both sides of the border. For instance, from the information collected in the interviews it was possible to detect a consensus between cross-border commuters with origin in Galicia or in Norte de Portugal, regarding the urgency to develop an integrated mobility plan, in order to offer efficient cross-border public transportation solutions to facilitate the labour market integration in this Euroregion.

Interviews also add insights on how regional inequalities are perceived and interpreted by potential cross-border commuters and how they influence unequal levels of immobility and attractiveness between the two regions. In this Euroregion Galicians are less willing to accept high levels of unfamiliarity and cross the border, than those that live in Norte de Portugal. Their immobility towards looking for a job in Norte de Portugal is a consequence of keep

factors (better economic situation of Galicia, better wages and better working conditions) as well as repeal factors of Norte de Portugal (economic crises, unemployment, low wages). For the Galicians the border is a materialization of the unequal economic development of each region; the dynamic Galician economy providing increasing family incomes, high wages and abundant social services. So, Galicians are less willing to accept high levels of unfamiliarity and leave their perceived “comfort zone” where everything is familiar (Van Houtum and Van der Velde, 2004) to seek for job opportunities in the Norte de Portugal. On Norte de Portugal high unemployment and firms closing, create a feeling of “discomfort” that associated with pull factors (the attractiveness of Galicia due to its economic development) leads to the decision to search for a job on the other side of the border, even if the conditions are not the better ones (namely lower wages than their Galician counterparts, insecurity and discrimination). Thus, the same factors but perceived differently compel the Portuguese to cross the border and the Galicians to stay in their region.

The combination of such diverse factors contributes to unravel the reasons why the presence of Portuguese workers in Galicia is much higher than the opposite. But economic situation in Spain as well as in Galicia is currently quite different after the economic crisis and unemployment rates are growing. It remains to be seen how this change might have an impact on the indifference and unfamiliarity of Galicians towards potential labour opportunities in Norte de Portugal.

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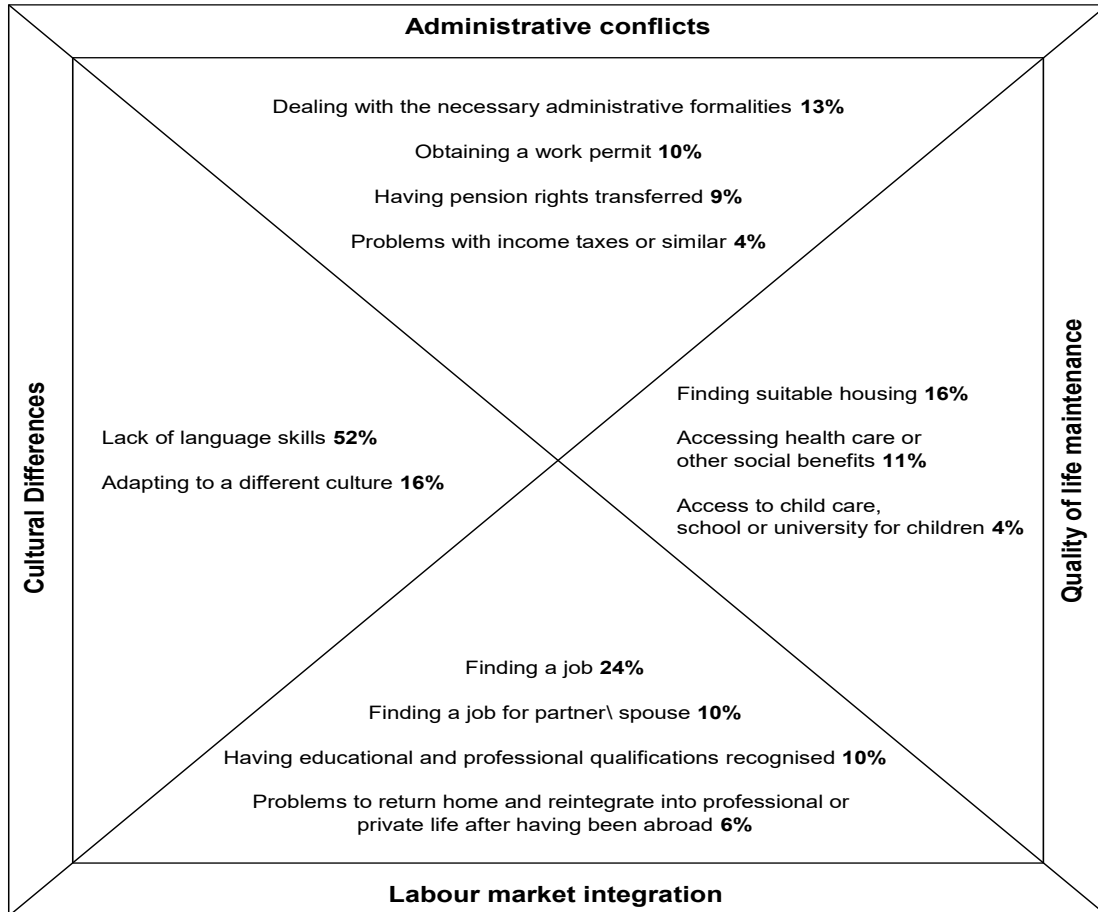
Table 1. Key Indicators for the Euroregion Galicia-Norte de Portugal, 2015

	Area (km ²)	Population Density (inh/km ²)	Population	Population by age group (%)		Employees	Employees by sector (%)			
				<15	>65		Agriculture /Fishing	Manufacture	Construction	Services
Norte (PT)	21286	170,0	3621785	13,9	18,4	1562200	8,8	25,7	7,1	58,4
Galicia (ES)	29575	92,5	2732347	11,9	24,0	998000	6,6	15,5	6,7	71,2

Source: Observatorio transfronteirizo / Observatório transfronteiriço Galicia - Norte de Portugal

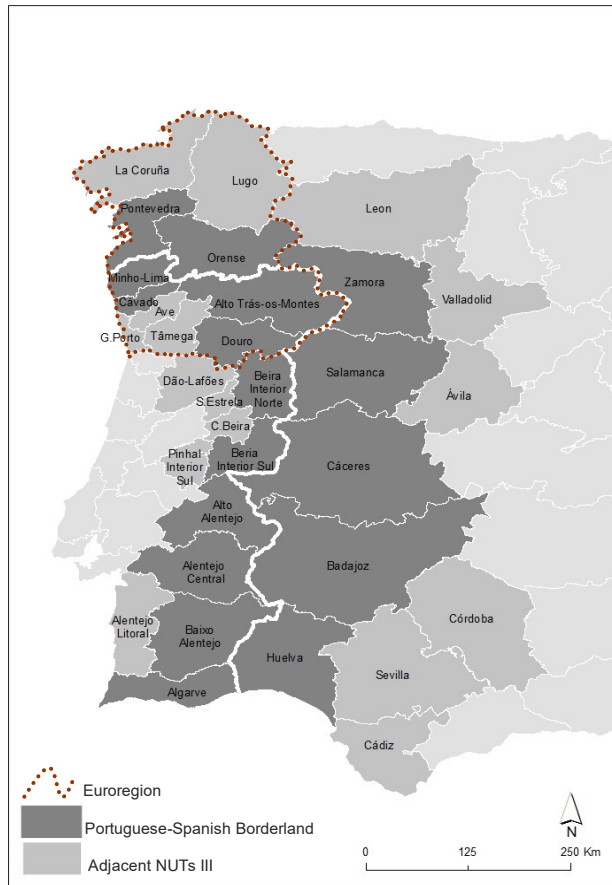
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Figure 1. Obstacles encountered or expected to encounter in the EU when going to work abroad



Source: authors' elaboration based on data collected from Eurobarometer 337 (EC 2010b)

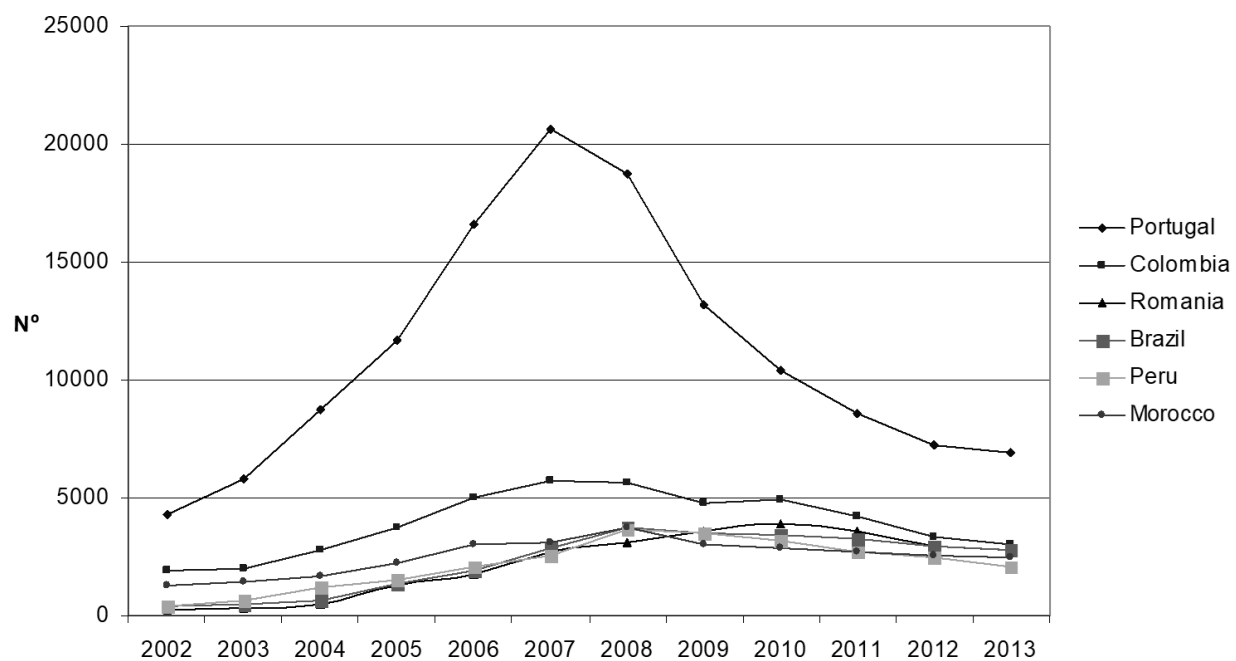
Figure 2. Euregion Galicia-Norte de Portugal



Notes: the darker regions are the border NUTs III between Portugal and Spain (Portuguese-Spanish Borderland). In the case of the Euroregion Norte-Galicia they are Pontevedra and Ourense (Spain) and Minho-Lima, C vado and Alto Tr s-os-Montes (Portugal)

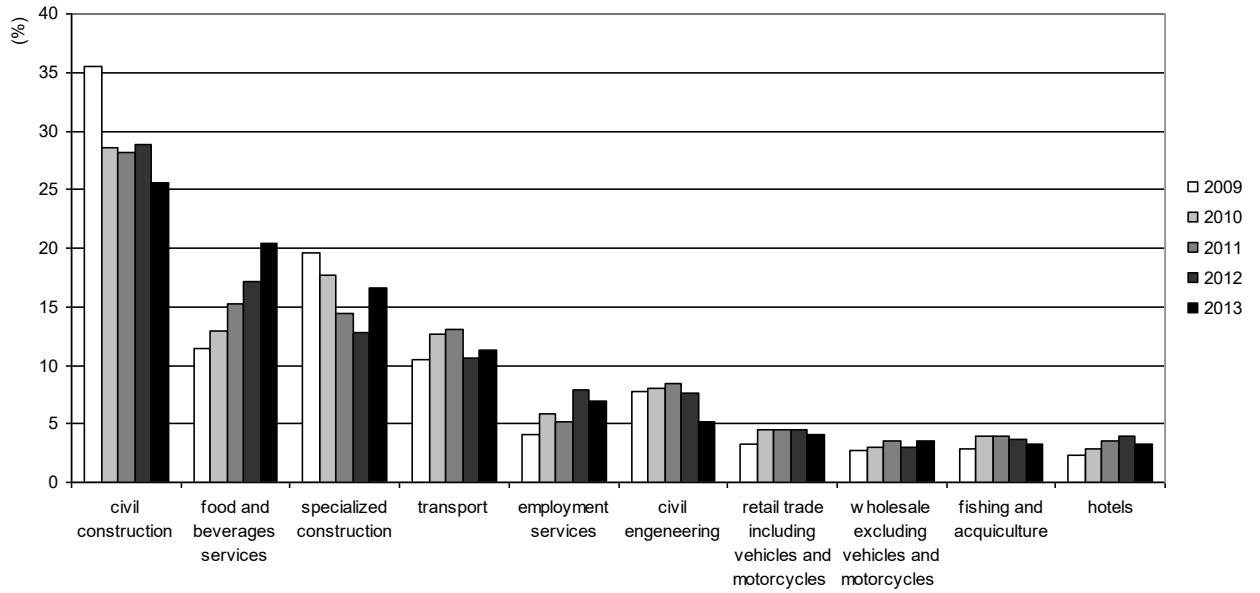
Source: author's elaboration

Figure 3. Galician work contracts of the six most represented foreign nationalities, 2002-2013



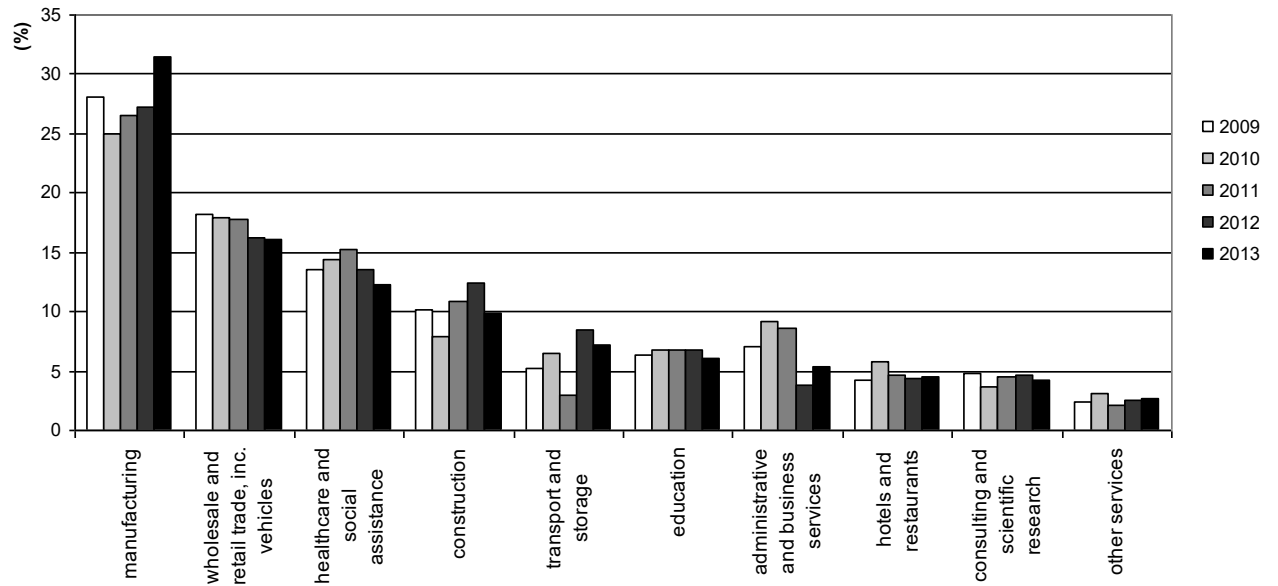
Source: data collected from EURES NP-G (2014)

Figure 4. Portuguese employees working in Galicia by the TOP 10 branches, 2009-2013



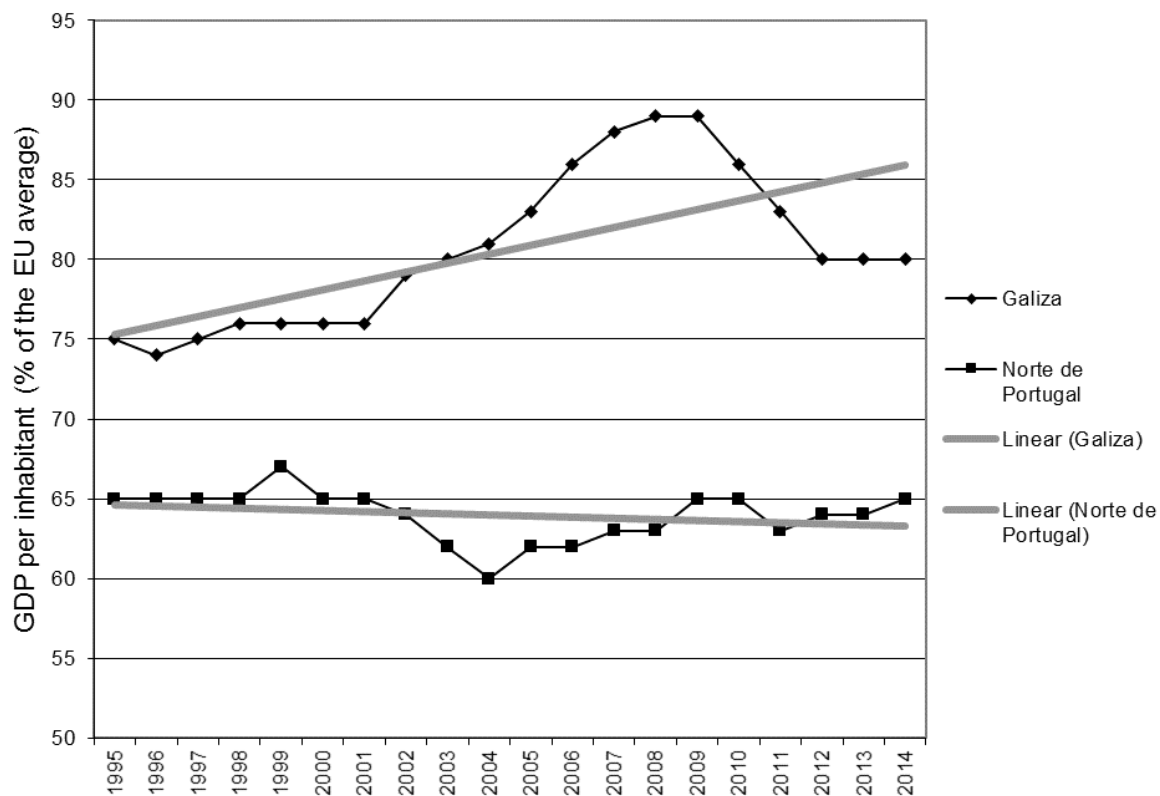
Source: data collected from EURES NP-G (2014)

Figure 5. Spanish employees working in Norte de Portugal by the TOP 10 branches, 2009-2013



Source: data collected from EURES NP-G (2014)

Figure 6. Gross Domestic Product per inhabitant (purchasing power parities), in percentage of the EU average in Galicia and Norte de Portugal, 1995-2014



Soure: data collected from Eurostat (extracted on 04-04-2016)