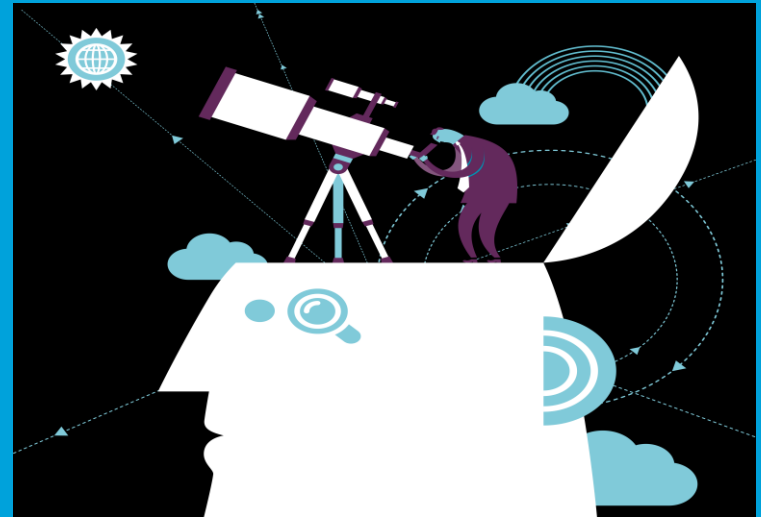


In search of the Euregio factor.... on the labour market

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ROA-ITEM-NEIMED



**Does the Euregio factor
on the labour market exist?**

Is it related to health?

In theory when having a better integrated Euregio

- **Agglomeration economies:**
 - Better sharing
 - Better learning
 - Better matching
- **Impact is bigger when closer to the border and when cross-border infrastructure is better**
- **Disadvantage could be more competition for resources (higher ground prices, congestion, etc.)**

Empirically shown by CPB

- **Borders have a negative impact on labour productivity, wages, employment, participation and unemployment**

Compare bees searching for nectar in border areas if they face high border walls

Production of less honey, fewer bees and fewer flowers relative to central areas



Impediments for cross-border job search

- Language and culture differences (in particular with German border) are most important
- Diploma recognition is of proven importance
- Institutional differences (tax, social insurance) of less importance
- Transport networks are less developed across borders, but this reflects low demand
- Behavior and perception interacts with other factors: less information, less cross-border networks and less trust
- Economic circumstances matter, but are asymmetrical

Evidence against existence of Euregio factor on the labour market I

- **Dutch cross-border commuting is only 5 percent of potential commuting flows without borders**

Evidence against existence of Euregio factor on the labour market II

- **Most recent higher education graduates in the Euregio stay at their side of the border or move to the centre of their country**

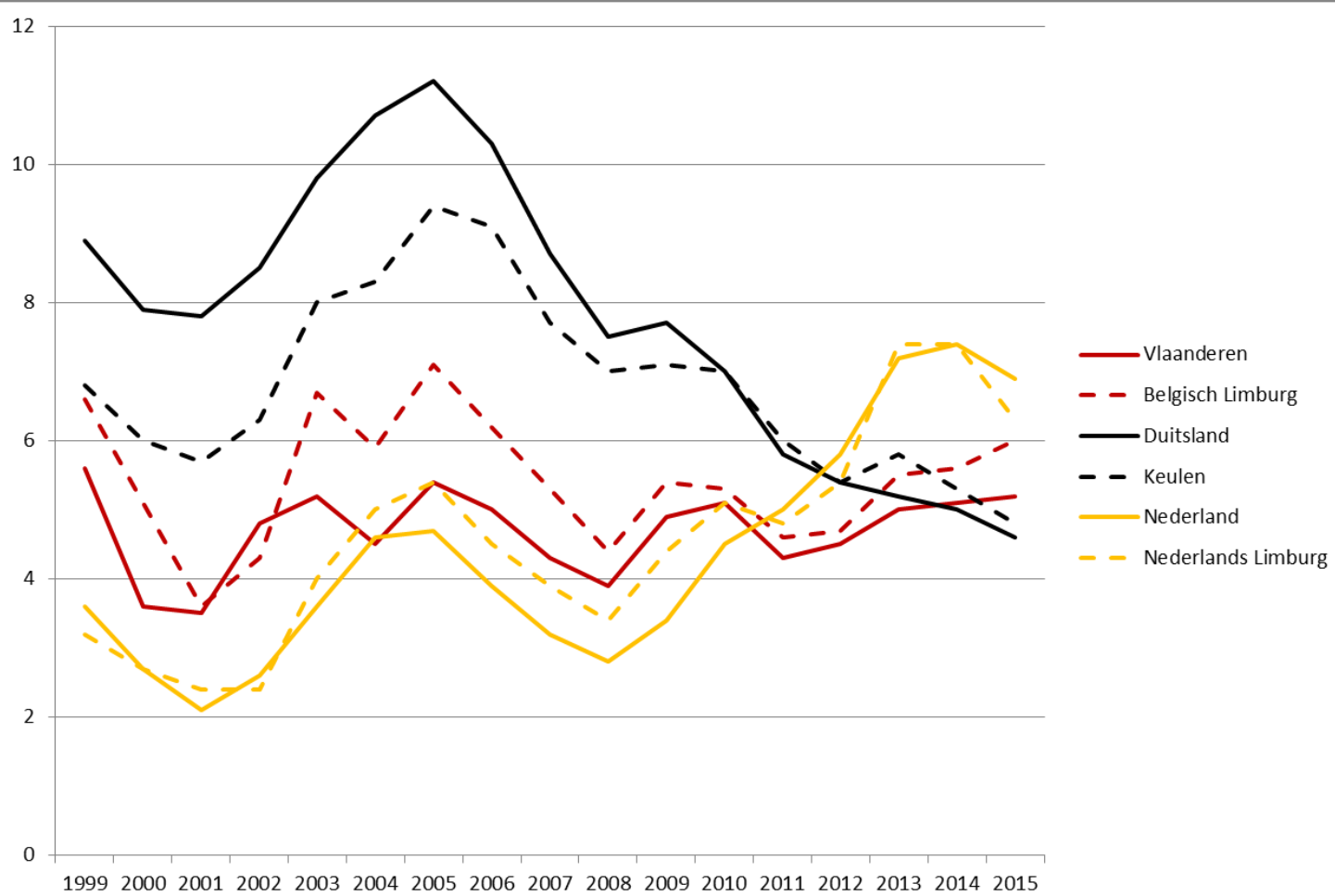
Evidence against existence of Euregio factor on the labour market III

- **There are hardly any common Euregio labour market trends**

For example: unemployment trend in the Euregio



Depend on national unemployment trends



Implications for health in the Euregio?

- **Commuting is bad for health & internal commuting is large relative to cross-border commuting**
- **Relatively low labour participation rates in border regions are correlated to low health**

Further implications for health in the Euregio II

Health improvement of patients is impeded due to lack of agglomeration economies in border region:

- **Less sharing**
- **Less learning**
- **Worse matching**