

## LABOUR MARKET

The rate of unemployment on either side of the Rhine differs substantially. On the French side, in the first quarter of 2013, unemployment in Alsace stood at 9.5%. Looking at the detail by employment area reveals a more contrasting situation, with 60% of the region's job-seekers concentrated in Strasbourg (10.6%) and Mulhouse (11.6%), while the employment area around Saint-Louis (6%) benefits from its proximity to the Basel economy. On the Swiss and German sides, the figures point to a much more favourable economic climate, with unemployment at 4% in the Land of Baden-Württemberg and the Canton of Basel-City.<sup>34</sup>

Historically, the Upper Rhine region has been characterised by substantial cross-border flows due to the close cultural and linguistic ties between the different sides of the border. North-West Switzerland is the main destination of these workers, with 31,000 of them being French and 27,500 German. Another 28,000 French people travel daily to work in Germany. Very few workers appear to leave the Swiss cantons, and France only hosts a few hundred cross-border workers.<sup>35</sup> The recent economic crisis has led to a temporary slowdown in flows of cross-border workers, which have however picked up again in recent months. Nonetheless, public and private players are in agreement that the Alsations' lack of qualifications and the decline of their German language skills restrict their mobility to employment areas where qualified workers are very much needed.

- ↘ **The cross-border placement of job-seekers service** was reinforced since 2013 by the setting up of three cross-border placement services along the French-German border.<sup>36</sup> In terms of vocational training and apprenticeships, efforts also led to the signing, on 12 September 2013, of a framework agreement regarding cross-border apprenticeships in the Upper Rhine, which settles, among other things, the question of apprenticeship tax, which is covered entirely by the Alsace Region. However, it remains to motivate potential French candidates who appear reluctant to take up this opportunity.

## PLAYERS IN CROSS-BORDER ECONOMIC GOVERNANCE

Public action in this area is more extensive in France, where the Region of Alsace has traditionally been a leading player. Currently in the process of developing its Alsace 2030 strategy, the regional authority has identified cross-border action as an area for development and are involving Swiss and German partners in their planning workshops.

The Urban Community of Strasbourg, which has recently expanded its Economic Development Directorate, has become increasingly aware of the advantage of an economic strategy at the cross-border level and in 2009 drew up its strategic road map Strasbourg 2020, which includes a cross-border section and several cross-border projects, some of which are mentioned above.

It should also be noted – and this is much more unusual on account of the distribution of public-sector competences in France – that the Haut-Rhin Department, faced with a considerable competitiveness differential due to the proximity of Basel, has mobilised its resources to support cross-border initiatives, in particular for territorial infrastructure and development projects (IBA Basel 2020 and 3Land projects).

Another important point is that the three chambers of commerce and industry (CCI) in Alsace have merged their departments dedicated to cross-border action into the Cross-Border Cooperation Directorate at the CCI Alsace, providing a single point of contact for the Swiss and German consular chambers.

- ↘ In the area of employment, the Strasbourg Jobs and Training Centre (Maison de l'emploi et de la formation de Strasbourg), which includes Pôle Emploi (France's public employment agency), the Bundesagentur für Arbeit and German business representatives on its executive board, leads a **cross-border GPEC (forward-looking management of jobs and skills) for port-related professions**.

Central government departments participate actively in the EURES partnership via the DIRECCTE (Regional Directorate for Business, Competition, Consumers and Employment).

On the French side, therefore, there is multi-layered public involvement, which is not however coordinated, for political reasons.

At the cross-border level, there are cooperation bodies such as the Upper Rhine Conference and the Upper Rhine Trinational Metropolitan Region, the economic component of which brings together the chambers of commerce and industry (CCIs) of the three countries.

It remains difficult to establish coordination with the German and Swiss systems, however. Dialogue is easier with Germany, where CCIs have a similar status to the French counterparts and where economic competence is shared between municipalities and the Länder. Such cooperation has been much more difficult with Switzerland, with its economically liberal and pragmatic traditions, where the CCIs are private and independent organisations.

- ↘ **The TransInfoNet network**, which since 1996 has brought together the five Chambers of Trades of the cross-border region in order to offer both legal and administrative support for cross-border service provision, constitutes a more consolidated partnership structure. Last February's vote, the implications of which remain unclear in terms of the region's economic stability, has cooled relations with Switzerland. The development of economic cooperation is therefore on hold for the time being.

<sup>34</sup> Source: *Le tissu économique en Alsace et dans la CUS: évolution 2008-2013 (The economic fabric of Alsace and the Urban Community of Strasbourg: developments in 2008-2013)*, Les indicateurs de l'ADEUS, issue 66, March 2014.

<sup>35</sup> Source: [www.eures-t-rhinsuperieur.eu](http://www.eures-t-rhinsuperieur.eu)

<sup>36</sup> For more information, see the Project Factsheet.