

A preferred workforce? Employment practices of East–West cross-border labour commuters in the Central European Region

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Abstract This paper deals with employment practices in the context of East–West cross-border commuting in the Central European Region (CENTROPE). The purpose of the analysis is to better understand the demand side of labour commuting from the border regions of the Czech Republic, Hungary and Slovakia to Austria. Methodologically, 20 expert interviews were conducted with mayors, business owners, European Employment Services (EURES) employees and trade unionists operating in the region between 2011 and 2013. The analysis provides comprehensive information about the practice of employers, in particular their preference towards commuters as a flexible workforce and their patterns of rationalization of this preference, e. g. by referring to the commuters’ specific work behaviour or differences in their local resident labour market in terms of income levels and employment opportunities.

Keywords Cross-border commuting · Central European Region · CENTROPE · Transnational labour market · Inner-European labour mobility · Employment practices · Labour flexibility

Bevorzugte Arbeitskräfte? Über die Beschäftigungspraxis bei grenzübergreifendem Ost-West-Pendeln in der Europaregion Mitte

Zusammenfassung Der vorliegende Artikel befasst sich mit Beschäftigungspraktiken im Kontext von grenzübergreifendem Ost-West-Pendeln in der Europaregion Mitte (CENTROPE). Ziel der Auswertung ist es, ein umfassendes Verständnis über die Nachfrage nach Arbeitskräften, die aus den Grenzregionen von Tschechien,

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der Slowakei und Ungarn nach Österreich pendeln, zu erlangen. Zwischen 2011 und 2013 wurden dafür 20 Experteninterviews mit Bürgermeister, Unternehmensleitungen, Mitarbeitenden der Arbeitsmarktagentur EURES sowie transnational operierenden Gewerkschaftsmitgliedern geführt. Die Analyse liefert umfassende Einblicke in die Praktiken von Arbeitgebenden, im Besonderen ihre Präferenz für Pendelnde als flexible Arbeitskräfte. Diese Präferenz wird mit einer spezifischen Arbeitshaltung begründet, die von pendelnden Arbeitskräften ausgeht, wie auch mit den geringen Beschäftigungschancen und Lohnniveaus in deren Herkunftsregionen.

Schlüsselwörter Grenzübergreifendes Pendeln · Central European Region · CENTROPE · Transnationaler Arbeitsmarkt · Innereuropäische Arbeitsmobilität · Beschäftigungspraktiken · Arbeitsmarktflexibilität

1 Introduction

Since 1 May 2011, citizens of the Czech Republic, Slovakia and Hungary have had full access to the Austrian labour market. The geographical proximity and the higher wage levels in the Austrian border region make it an appealing labour market for commuters residing in these areas. Between the subregion at the border of Austria and the border regions of the Czech Republic, Slovakia and Hungary there is an ongoing structural asymmetry, which juxtaposes different economies with different histories of economic development (Wiesböck et al. 2016a). The introduction of a common institutional framework intends to diminish these asymmetries; however, up until now the relatively high social inequality between the Austrian subregions and their neighbours—in terms of household income, unemployment rate, poverty rate and regional gross domestic product (GDP) levels—continues to play an important role (Wiesböck et al. 2016b).

In order to understand the current structure of the transnational labour market, it should be noted that the introduction of a common legal framework and macro-economic indicators are only one part of a broader picture. There are several actors involved in regulating the market that have not gained attention so far. When looking at the growing presence of mobile workers, most studies focus on the supply side, the motivation and expectations of workers, their skills, their use of social networks or how they construct their identity (Datta and Brickell 2009; Drinkwater and Garapich 2015; Main 2016; Parutis 2014; Ryan et al. 2008). The aim of this paper is to shed light on the role of demand-side factors, in particular the process of employer recruitment of East–West cross-border commuters in the Central European Region (CENTROPE).

The heterogeneity across the regions and the diverse patterns of labour mobility have led to significant changes in employment structures. From a sociological perspective the consequences on the local labour market in terms of social inequality are of particular interest. Mobility can negatively affect labour regulation by dividing the working class along national, ethnic, linguistic and cultural lines (Scott 2013). According to Harvey (2005, p. 168), “employers have historically used differentiations within the labour pool to divide and rule”, as a fragmented working class

has less potential for collective resistance. Therefore, one purpose of this paper is to study whether there are new shifts produced within the low-wage sector of the Austrian border region.

East–West European mobile workers tend to fill the “bottom end” positions, meaning that they are overrepresented in employment associated with low wages, manual labour, instability and poor prospects for advancement (Favell 2008). This situation prompted scholars to focus on employer demand as a key determinant of attracting foreign workers. In the European context, analyses in the field of employer practices conducted so far primarily focus on European mobile workers residing in the receiving country, with a strong focus on the South–North movements, e. g. workers from East European countries in the UK or Norway (Anderson et al. 2006; Friberg 2012; McDowell et al. 2007; Scott 2013).

In contrast, cross-border commuting is a type of mobility where employees work in another member state without moving their residence to that particular country. It is understood as repeat movement of the same person across national borders on a regular basis. This seems to be compelling enough evidence to argue that, compared to other European mobile workers, daily commuters have a higher degree of separation from their professional role, their social role and, to a lesser degree, their sense of entitlement and belonging. Furthermore, commuters mostly reside in regions with a lower cost of living and, at the same time, work in a country with higher wages. Regarding this issue, the paper investigates whether employers make use of this particular situation in their attitudes towards and justification of hiring cross-border commuters.

The guiding research questions are: What are the employers’ attitudes towards hiring cross-border commuters? How do the employers justify these attitudes? Have new social hierarchies developed due to the placement of low-wage workers in the Austrian border region? In order to answer these questions, I have drawn upon an expert survey consisting of 20 interviews conducted with European Employment Services (EURES) employees, business owners, mayors and trade unionists in CENTROPE between 2011 and 2013. The interviews were carried out in the context of the TRANSLAB research project.

The overall structure of the study takes the form of four chapters: The first chapter provides a brief overview of the Central European Region as a supranational and interregional administrative unit. The following part is concerned with the data and methodology used for the study. The next section presents the main findings, focusing on employers’ hiring preferences and their rhetoric of legitimation. The paper concludes with an outlook, including potential future research questions in this field.

2 East–west commuting in the Central European Region

The Central European Region is a European region consisting of eight federal provinces, regions and counties with a total population of about 6.5 million. The largest city in CENTROPE is Vienna, which has a population of 1.8 million and, along with Bratislava, is one of the two national centres in the region. This is an



Fig. 1 The Central European Region

exceptional situation, in that most of the inner-European border regions are located more peripherally (Fig. 1).

Historically, the dissolution of the Soviet Union, the EU enlargement and the removal of the final barriers to the free movement of labour have brought about significant changes, which, in turn, have led to new forms of interplay of economic, social, political and legal factors (Horvath 2012). Since 1 May 2011, when the final transitional arrangements were lifted at the end of the seven-year transitional period, citizens of the A8¹ countries have had full access to labour markets across the EU-27.

Already in 2009, a slight but steady increase in the number of workers from neighbouring countries began, from 11,591 commuters in 2008 to 14,465 in 2009 (Austrian Labour Market Service; own calculations). This reflects the gradual opening of the labour market before the last barriers to free mobility were lifted. From then on, a steady increase of East–West cross-border workers can be observed. In 2013 there were 78,825 workers from Hungary (37,793), Slovakia (34,047) and the Czech Republic (6985) registered on the Austrian labour market (Statistik Austria 2015). The rise in cross-border labour flows to Austria is expected to further continue in the future.

Commuting within the Central European Union is not a recent phenomenon linked to the creation of the European common market (Terlouw 2012, p. 354); formal and informal circularity between the countries has existed for many decades. This was, however, under specific conditions during a period of state socialism, with a *longue durée* of cross-border mobility, which began during the time of the Habsburg Monarchy. Today, CENTROPE is one of many political projects in the EU that foster enhanced mobility to strengthen competitiveness and the regional business location. It reflects the differentiation of movement patterns within the EU: from once-in-a-lifetime migration to mobility as a life strategy.

The Central European Region is one example of the rise of a new type of supra-national governance that takes the form of regional transnationalism (Perkmann

¹ Czech Republic, Poland, Hungary, Slovakia, Slovenia, Estonia, Latvia and Lithuania.

2003). It is a regional project with a transnational dimension. Yet borders still demarcate different political economies and welfare states; legal, political and cultural traditions (Crouch 1999). Border regions provide examples of multilevel governance involving the European Commission, national states, local and regional authorities, intergovernmental commissions and a variety of nongovernmental agencies. However, the legal framework is only one of many institutions structuring the transnational labour market. Institutions here are understood as a set of implicit or explicit rules, norms, or contractual arrangements and organisations that govern market transactions (Freeman 1998, p. 4). During the recruitment and relocation of foreign workers, employers play a particularly important role, especially as they have a major influence on the transnational labour market through the rules and norms they create. Free mobility of workers affects the relationship of bargaining power between labour and capital by increasing the supply of actual and potential workers (Friberg and Eldring 2013). This paper aims to shed light on informal rules regarding practices and maxims of actions developed in this context.

3 Data and methods

20 expert interviews were conducted between 2011 and 2013 in the context of the TRANSLAB project. The experts have special knowledge related to their professional field, including implicit knowledge about maxims of action, rules of decision making, collective orientations and social patterns of interpretation (Bogner et al. 2009). The sample consists of seven business owners, six local mayors, seven European Employment Agency (EURES) employees (two employees in Vienna interviewed together) and two transnationally operating trade unionists (interviewed together). The interviews were carried out across the border regions of the Central European Region. The selection of representatives in different areas was based on their shared institutional and organisational context. These experts are part of the field of action and constitute an important “factor” regulating cross-border commuting in CENTROPE. The research interest of this paper is on the process of East–West cross-border labour commuting to Austria, therefore the focus of the sample lies on actors operating in this border region (Table 1).

All interviews covered important points of the social process of commuting, such as the structure and development of mobility processes within the Central European Region. This includes relevant legal and institutional frameworks for cross-border commuting, the specific role of the interviewees in the context of cross-border commuting, information on companies that hire commuters, possible short- and

Table 1 Number of interviewees per representative role and border region

Representative role	Area of action	AT	CZ	HU	SI
Mayor	Local governmental infrastructure	5	1	n/a	n/a
EURES employee	Job service through formal channel	4	1	1	1
Business owner	Job placement	7	–	–	–
Trade unionist	Representation and protection of labour law	2	–	–	–

n/a not available for an interview, AT Austria, CZ Czech Republic, HU Hungary, SI Slovakia

medium-term consequences (risks and opportunities) of removal of the remaining barriers to free movement and short- and midterm scenarios for the region. Even though the interviews were thematically prestructured, interviewees were given an opportunity to personally define their expertise and to assess what is relevant in the given context (Dexter 2006). For this reason, the main categories organising the empirical data differ from the initial guidelines.

Two independent researchers of the TRANSLAB project conducted the interviews. A total of 18 interviews were carried out in German, one interview with a mayor in the Czech border region was conducted in the presence of a simultaneous interpreter, and one interview with a EURES employee in the Slovakian border region was conducted in English.²

The interviews were analysed according to the interpretation scheme established by Meuser and Nagel (2009). The aim of the evaluation was to analyse and compare passages with similar topics spread throughout interviews. After the transcription, the interviews were paraphrased and ordered into thematic units. The passages from different interviews were then tied together. The final step of the analysis was the conceptualisation and theoretical generalisation of the material. In order to evaluate the meaning and significance of the statements, the context was always taken into account.

As with any empirical study, there are limitations concerning the dataset and methodology. The reader should bear in mind that the study is focused on formalised settings of the labour market. Due to a lack of accessibility, it was not possible to include the perspective of persons hiring commuters in nonformalised settings, e. g. in private households or agriculture. The expert interview with transnationally acting trade unionists in this sample provides an explorative insight into this setting. Due to the representative role and position of mayors and businessmen, disclosure of information was to some extent an issue, e. g. when it came to wage dumping effects.

4 Recruitment practices in the hiring process

4.1 Preference for cross-border commuters

The employers under study welcomed cross-border commuters as a new flexible labour force. An Austrian businessman, head of a cleaning company in the Austrian border region of Slovakia and Hungary, points out that he prefers cross-border commuters over local workers:

As an Austrian it is not easy to admit but I prefer a Hungarian or a Slovak over an Austrian. It is because they want to work. As there are not a lot of opportunities back home they act from necessity. I call it hungry. They really want to work. [...] I notice that the commitment and the willingness are higher.

² The researchers are aware of and critically reflect upon the fact that translation-related decisions have an impact on the validity of the research.

You get a more committed and more intelligent worker than in Austria—for the same money. A worker who is able to speak German, who is glad to have a job and who is willing to compromise. (Head of a cleaning company, Lower Austria, September 2013)

Here the employer declares his norms of decision-making that lead to a new social hierarchy between potential employees in the hiring process. At the same time as being generally positive about commuters, the employer interviewed expressed a negativity about Austrian nationals. This “good migrant worker” rhetoric is in line with various recent studies in this field (Scott 2013; Thompson et al. 2012). His image of Austrian workers builds the ground for his maxim of action. The businessman characterises negative ascriptions of work attitudes and characteristics of native-born workers, in particular those sent by the employment agency:

The process, if you are looking for somebody through the [Austrian] employment agency, is repulsive. So there are ten people coming. One smells of alcohol as soon as he enters the door. Another one has had a drinking problem and is bloated. Another one does not have any teeth anymore. And these kind of people hinder me. I mean, I also have a daily routine to follow. So then you struggle how to get rid of them. And then one of them will tell you: “Oh well, put a stamp on the sheet, you know how it works.” That’s what they want, right? Do I say yes? It is not right. I should rather note down that this person is not willing to work. But who is going to expose himself to that kind of confrontation? They [employment agency] don’t do it either. And should I? I should mess with them? So that he will tell everybody at the local tavern that the boss of the cleaning company is mad? (Head of a cleaning company, Lower Austria, September 2013)

The employer addresses the difficulty to attract and recruit local workforce for unskilled or semiskilled jobs. It is interesting to note that the comparison group the employer referred to comprises long-term unemployed persons sent through a formal channel, with low interest in settling in a job. The local inactive population is a different pool of labour in itself, segmented by gender, age, class, ethnicity, etc. Still, the main category of distinction made is Austrian versus commuters. Other businessmen in the survey shared the view that the Austrian workforce incorporates qualities that are to avoid in a worker, especially concerning the willingness to work:

[The opening of the border] I think it is good for everyone. For the Austrians it is not so bad either, to my mind. They get a little slap across the backside, so that they have to put forth more effort. In past times they were all rather relaxed, because they were thinking: “For them it is not easy anyway to find work at our place.” But it is not like that anymore, that is why—thank God—Austrians also have to make an effort and not only rest on the fact that they are Austrians. (Head of a restaurant, Burgenland, July 2013)

Based on this notion, compared to Austrians, the conditions for commuters in the job-placement process in this labour market segment are prestructured in a favourable way. This can be seen as a collective orientation and social pattern of

interpretation, and it goes in line with previous studies in which employers view foreigners as a better labour force than the natives (Labrianidis and Sykas 2009; Stenning and Dawley 2009). Research in this field has shown that local workers were seen as less reliable than migrants, unable to sustain the pace of work required and less willing to work unsociable shifts, especially when the work is temporary, seasonal or unpleasant with unsociable hours. When the owner of a café was asked about the Austrian workforce in the service sector, he shared this view:

I reckon that everybody says: “Come on, I wouldn’t work for that income” or “I don’t want to work at the weekend” or “I don’t want to work here nor there”. Well, as a service provider you have to provide services. That’s how it is. (Head of a café, Lower Austria, June 2013)

Along these lines, in terms of the entry into the low-wage labour market of the Austrian border region, commuters seem to have an advantage over local (unemployed) workers. However, within the group of commuters there is a high level of labour supply and competition. Employers in the sample had noticed a continually rising job demand, particularly since 2011. According to them, the job search is not only via official channels, but also and mainly by initiative applications or simply by showing up:

Since the free movement of labour we receive many, many job requests. Constantly. Mainly from Hungary. It is sheer madness; no day goes by without me writing the sentence: “At the moment we are not hiring, we wish you the best.” I suppose that every enterprise is confronted with that. (Head of a guesthouse and restaurant, Lower Austria, September 2013)

I have to say that a lot of people come without prior announcement, they simply walk through the door and say: “I want to mow the lawn here” or “I will do any work” or “I want to work here”. (Human resource manager at a state hospital, Lower Austria, September 2013)

Every day at least one or two people will come spontaneously to introduce themselves. They are from Slovakia or Hungary, but mainly Hungary. (Head of a cleaning company, Lower Austria, September 2013)

Recent findings in the field show consensus to these insights: inner-European labour mobility from Central and Eastern European (CEE) countries is often enhanced by personal social networks, “insider” support and speculative applications (Dobson and Sennikova 2007, p. 131). The transnational job search process takes place between the commuter and the employer, rather than via formal channels such as employment agencies. This is an important finding given that, in comparison, the negotiation process of job placement for Austrians in this labour market segment is highly systematised. The high labour supply raises the question whether it leads to structural disempowerment, which gives commuters weak negotiating positions vis-à-vis their employers (Rye and Andrzejewska 2010).

4.2 Culturalisation of work behaviour

Employer discretion over their preferred employees is associated with the adoption of nationality based “shorthand” over whom to employ (Wills et al. 2009). This “hiring queue” means that employers tend to adopt national stereotypes to determine the reliability of the potential recruit. When asked about the reasons for commuters being the preferred workforce, a number of employers had a sense of a “hiring queue”. When referring to a specific kind of work behaviour of cross-border commuters, a narrative along the line of obedience was constructed: either workers were considered as too obedient or not obedient enough. A human resource manager at a state hospital in Lower Austria complained about the obedient behaviour of Slovakian workers. He established an “us” and “them” narrative and explained “their” lack of self-initiative with the cultural argument of different socialisation:

I have to say that they are used to obedient behaviour. You can tell that they are legionaries, right? That they are not at home here, not related to the region. I always call it the “seven to three syndrome”: three on the dot and work ends for them. As I said, you should not colour everyone with the same brush but this generation is simply shaped differently by their upbringing. And of course it always depends on the person. But on a large scale they do what they are told. Self-initiative is not a skill that these ladies and gentlemen have acquired. (Human resource manager at a state hospital, Lower Austria, September 2013)

This statement has to be seen in the context of the branch and working field: for example, working with people in a hospital requires more interaction and altering personal behaviour and sensitivity to deal with unpredictable situations, which is more required than when working in predictable environments such as a factory (Hochschild 1983). In other words, the requirements for self-initiative are higher in this branch. That may be intensified by a potential lack of clear definition of the range of tasks the employee is supposed to work on. The contract of employment does not and cannot specify precisely the amount of effort to be expended and the degree of initiative to be displayed by the employee (Hyman 1989). It is further notable that, unlike other domestic employment fields (e. g. department stores or restaurants), progression and upward mobility in hospitals is not possible, which can contribute to less ambitious work behaviour. These aspects may contribute to the branch-specific impression of the human resource manager interviewed. Besides, the employer refers to a lack of connection with the regional context of the workplace. This absence of local connection is also considered to be problematic by the head of an automotive factory in Lower Austria:

I think the difference is certainly the commitment to the company. In our region, the commitment of [Austrian] workers is definitely stronger. Language might play a part in the whole thing, no question. Our people live here. Czech workers arrive in the morning and leave in the evening. Thus they only spend their working hours here in this country. So you don’t really get together with

them on different occasions. (Head of an automotive factory, Lower Austria, June 2012)

The passage reflects the struggle over the degree of employer control and alludes to the concept of managerial opportunism (Dibben et al. 2011, p. 4). The employer determines a lack of “getting together on different occasions” with cross-border commuters, thus a lack of engagement in roles outside their remit. It expresses the demand for flexibility beyond the bounds of agreement.

On the other side of the obedient work behaviour narrative, businessmen complained about the lack of the same: here the concept of pride was constructed as negatively interfering with work behaviour. The head of a guesthouse and restaurant on the border of Lower Austria and Slovakia considers Hungarian workers as more proud than Slovakian, meaning not as obedient:

The Hungarian minority is a little more proud. In general, Slovaks are messier and Hungarians are more proud. They don't make it easy for you to tell them what to do. There is some truth behind it. Just as Austrians are moaners. (Head of a guesthouse and restaurant, Lower Austria, September 2013)

The notion of pride was ascribed when the expected behaviour according to the place in the social hierarchy of the workplace was challenged. The label was also attributed to Czech workers by the head of a factory producing cables and wires for industrial applications in Vienna:

The Czechs, I believe, when you look at it from a stereotype perspective, are a rather proud nation likely to have issues when Austrians set the agenda. So their certain kind of attitude here and there can affect the outcome in a not-quite positive way. Right? I think one could generally say that. But of course there are individual people behind it. (Head of a factory producing cables and wires for industrial applications, Vienna, June 2013)

What is interesting is that, unlike in studies on European mobile workers, the notion of “hard-working nature” as a stereotypical national advantage did not come up in the interviews (Wills et al. 2009). The reliability and diligence of the workers was connected to an economic need (“hungry for work”) rather than inherent cultural traits. Submission and obedience as underlying categories, on the other hand, was omnipresent. That reflects organisation-determined aspects of the employment relationship (Dibben et al. 2011, p. 3): it is both an economic exchange (the agreement to exchange wages for work), and a power relationship (the employee's agreement to submit to the authority of the employer). The relationship between the employer and the employee is not only a sale of an amount of labour power, but it also involves issues such as managing expectations. A primary issue in the workplace is the ability of employers to personally control their workers. Social relations in the workplace are systems of control that employers use to ensure productivity. A particular demand by employers of low-skilled jobs is to find workers who are least likely to contest their authority. Therefore, it is not surprising that the businessmen's attitudes centre around behavioural or attitudinal traits.

4.3 Labour standards

When it comes to the wage level, the businessmen assessed the commuters' dual frame of reference, which puts the Austrian low-wage sector in a remarkably favourable perspective. Employers perceive commuters as workers who assess their economic situation relative to the options encountered in their region of origin (Waldinger and Lichter 2003, p. 179):

Of course the value is different. If I earn 1000 € here it equals to 1500 or 2000 € there, depending on the region of origin. (Head of a cleaning company, Lower Austria, September 2013)

[They commute to Austria] because they simply earn, I would say, at least double or even triple [of the income back home]. Minimum double income, minimum. If the worker is good. I mean, when I think of my cook, he earns approximately 1500 €. He would not earn that back home in a hundred years. That [wage level] does not even exist. (Head of a café, Lower Austria, June 2013)

This is the main difference to European mobile workers who (temporarily) reside in the receiving country, such as the Polish workers in London. Here, the employees work in another member state with a higher wage level without moving their residence to that country. Yet even if they do not commute on a daily basis—as most workers do according to the employers under study—but temporarily live in the place of work, the same argument was used:

I guess that [our waitresses] earn, well, in summer between 1500 and 1700 €, during wintertime maybe between 1300 and 1500. I do not offer any accommodation but they can eat for free. That is not nothing. However, I realise that they need around 500 € for an apartment here, even here in the province. And then if you think about it, it only remains maybe 1000 €. I mean, they cannot assume that they will save the whole income; it is simply not like that. I mean, times have changed too. And if you think about what they would earn back home, it is still a good reward. (Head of a guesthouse and restaurant, Lower Austria, September 2013)

All this suggests that employers are aware of—and base some of their recruitment and employment decisions on—commuters' employment prospects and earnings in their home country (Anderson et al. 2006). The employers recognise that the discrepancies between earnings in the low-wage sector of the Austrian border region and commuters' region of origin mean that commuters often put up with a trade-off between wages that are poor by Austrian standards but relatively high when compared to employment in commuters' region of origin.

Another aspect of the dual frame of reference besides wages is that workers may be willing to accept conditions substantially below host country standards, since they are still superior to those back home (Piore 1980; Woolfson 2007). What constitutes social standards and the respective social dumping can vary even between comparable countries faced with similar challenges (Arnholtz and Eldring

2015, p. 94). Usually it implies unacceptably low wages or poor conditions of work (Friberg et al. 2014). The mechanism behind this is to undercut established standards by recruiting workers from countries with substantially lower living conditions and pay rates (McGovern 2007; Woolfson et al. 2010). When it comes to the topic of social dumping, disclosure of information was a problem to some extent. Employers did not provide information on the topic nor did they confirm that this is not an issue in their organisation. For that reason, I draw on an interview with two trade unionists offering insights into practices in this field:

In agriculture what really matters is: who is cheaper will get the job. In the construction branch there are very, very shady practices. Well, I will only tell you about the very, very blatant ones. We know, for example, companies that complete their payroll accounting 100% properly, then transfer 100% of the proper wage to the account of their workers, so everything is done impeccably. And the next day the worker shows up with an envelope with 400 € inside to hand back to the employer. Of course given these kind of methods, it is very difficult to counteract. (Trade unionist, Burgenland, November 2012)

Now the regulatory function of trade unionists is to ensure that social standards are not undercut. However, due to hidden practices of employers to circumvent these standards, and due to the potential lack of knowledge of labour rights by the commuters, their regulatory influence is weakened. According to interviewees, there is also evidence that the changing legal framework resulting from opening of the labour market stimulated ways to avoid proper wage dispersal:

Before, in order to work as a Hungarian in Austria, you needed a work permit that was bound to fixed working hours. You had to work 40 h per week. A 40-hour week was indispensable and stipulated in the working contract. However, after the opening of the border, our partners and ourselves, in the course of the consultation process, we realised that many workers were re-registered to 20 h per week. For jobs that previously were done in 40 h. [...] And the problem is then that they are likely to continue working for 40 h while being officially registered for 20 h. (Trade unionist, Burgenland, November 2012)

In terms of institutionalization, social dumping practices can create new social hierarchies and divisions (Bernaciak 2015, p. 232). Efforts to undercut labour standards and evade the regulatory force of trade unionists are likely to exert downward pressure on not only the wages, but also on working conditions (ibid.). From the perspective and experience of a transnational trade union, this is already taking place. According to them, not only wage agreements are undermined but also various basic labour rights:

In the gastronomy sector very often there are problems with working hours, in particular with working overtime and issues in that matter. It is not properly accounted for. We also consistently see problems with maternity protection, especially in the case of waitresses. When they get pregnant, there are problems with their maternity rights. Certain regulations are not fulfilled, such as, for example, the use of tobacco, etc. It also happens very often that employees

who get pregnant are simply deregistered. That happens over and over again. (Trade unionist, Burgenland, November 2012)

Over and over, the main category the trade unionists referred to when talking about working conditions is the branch. The established narrative of branches structuring conditions is highly relevant in this context. Many of the abovementioned practices are applied to low-wage labourers in the service sector in general (Kroon and Paauwe 2014). Therefore, it remains unclear whether these practices are only applied to commuters or also to local workers in the same branch, and to what extent there is a link to new legal frameworks in the course of the opening of the labour market in 2011. Yet the debate on the issue of wage dumping is driven by various factors. According to Friberg et al. (2014), it is not only native workers, in particular those in weak labour market positions, who fear that labour mobility may deteriorate wages and labour standards; a further concern is the medium-term viability of existing labour market institutions, as increasing inequality between ethnic and national groups poses a range of challenges to their functioning and legitimacy.

5 Outlook

This paper sheds light on the demand side of the transnational labour market of the Central European Region. It suggests that cross-border commuters have a dual role in the placement process in the Austrian border region. When it comes to entering the labour market, they have a better position in the hierarchy system compared to local low-wage workers. At the same time, however, there is a high level of competition and labour supply within the group of commuters, which may lead to weak negotiating positions towards potential employers. Therewith, the dual role of national origin in the labour market acts as a system of hierarchy and subordination at the same time (Friberg 2012).

The expert interviews further indicate that there is a high demand for jobs from workers from the Czech Republic, Hungary and Slovakia that is expressed particularly through informal channels, via initiative applications or by simply showing up without prior notice. Therefore, the flexible pool of foreign workers is easily accessible for employers. Austrian nationals, on the other hand, mainly apply through formal channels and are likely to have low interest in unskilled or semiskilled jobs. For this reason, the businessmen interviewed in the study stated a clear overall preference towards cross-border commuters as the desired workforce. Furthermore, the foreign-born are the preferred labour force because they are perceived as workers who assess the situation relative to the conditions and options encountered “back home” (Waldinger and Lichter 2003, p. 179). The commuters’ dual frame of reference puts the Austrian low-wage sector in a remarkably favourable perspective. It can serve as a tool to de-problematize exploitative work conditions (Maldonado 2009).

The employers’ attitudes are situated within the broader context of the flexibility paradigm. It acts as a rationalising mechanism through which a capitalist pursuit of maximum surplus value interacts to produce differential opportunities for cross-

border commuters compared with local workers. The construction of an integrated European labour market strengthens the employers' power (Andrijasevic and Sacchetto 2016). The research provides evidence that even if commuters work legally, they are nevertheless vulnerable to exploitation. This may not only have negative consequences on them but it is also likely to have consequences for Austrian nationals too. What may be in the best interest of employers is not always in the best interest of the local workforce or the economy as a whole. Persisting inequalities between commuters and locals will pose a serious threat to social cohesion in the receiving states and could become a major policy challenge (Guzi and Kahanec 2015). To fuel cooperation to preserve wages and labour rights in cross-border regions, particularly in sectors with high precarious employment, will be an ongoing challenge (Hammer 2010). Therefore the question how unions can regain influence in the social regulation of transnational employment is of high relevance and yet to be answered.

It is beyond the scope of this paper to examine the full picture of the social reality regarding the hiring process of the East–West labour commuting in CENTROPE. This would require a study of all actors who establish and administer rules structuring the labour market, regardless of whether these are seen as formal or informal. Furthermore, no universal claims can be made from this study. However, the qualitative survey provides an explorative analysis of collective orientations and norms of actors in this field. The study offers important insights into the employers' role in structuring cross-border commuting in the Central European Region and emphasises the importance of qualitative research in the field of transnational labour markets. Furthermore, the finding of the study that job search strategies of commuters mainly involve addressing the employer directly via speculative applications or by simply showing up rather than going through formal channels, as is usually the case for Austrians, is of high relevance: it highlights the need to create methodological tools to capture transnational job demand expressed through various channels in order to get a fuller picture of ongoing dynamics in this field.

Clearly, further research will be required to address remaining questions. The present survey was intended to address representatives from various low-paid occupations as the labour market of the Austrian border region. For future studies it would be interesting to delve deeper into differences between certain branches (e. g. care, construction, cleaning, agriculture and hospitality). Furthermore, as migrants residing in Austria still earn comparably more than cross-border commuters in the same branch in the Austrian labour market (Verwiebe et al. 2015), it would be interesting to explore whether there are new cleavages arising within the low-wage sector—not only between locals and cross-border commuters, but also between migrants and cross-border commuters. Additionally, the stability and durability of work relationships between Austrian employers and cross-border commuters would be of great interest. Will businessmen tolerate wider margins of cooperation and weakened managerial authority when commuters gain extensive experience and company-specific skills? Very important is the question to what extent the stereotypical assumptions by employers about embodied attributes of foreign workers are adopted by the commuters. Finally, research on inequalities concerning socioeconomic char-

acteristics of cross-border commuters within the segmented labour market would be of great importance. This is especially the case for the role and effects of gender.

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