Benelux Business Roundtable  
**Position Paper - Stimulating Cross-Border Labor Mobility within the Benelux**

The Benelux Business Roundtable ("BBR") brings together business leaders from the Benelux, representing companies with significant interests in terms of contribution to GDP, employment and assets within the Region. Together they identify areas and actions where closer collaboration is required and promote recommendations to political leaders at national and EU level, when political action is considered necessary.

The Benelux is a region with high potential for a cross-border labor market. The three countries are amongst the most prosperous countries in the world with a high level of employment, purchase power and (foreign) investment. One would therefore logically expect a high level of mobility. On the contrary, cross-border labor employment is not very apparent in the Benelux region even though the potential benefits are noteworthy. Labor supply and demand can be balanced by increased labor mobility. It allows for employers to acquire staff with the right competences in the right place at the right time. The BBR therefore believes that more attention should be paid to facilitating and promoting cross-border labor mobility in the Benelux. This could be realised in the following ways.

**Cutting red tape**

Employers encounter significant administrative difficulties when hiring an employee subject to another social security system due to differences in the system. This leads to high costs and administrative burdens for the employer and lack of clarity for the employee. Therefore, we recommend that the Benelux countries revisit the implementation of EU legislation in order to better facilitate cross-border employment. Additionally, cross-border impact assessment can be introduced for new legislation.

The latter recommendation goes hand in hand with cutting red tape in taxation. Currently, the employer has to register abroad, operate under a wage tax and social security system they are unfamiliar with, and may have to communicate with foreign tax authorities in a foreign language. Similar tax administration problems apply to employees. Together, the Benelux governments could strive for common solutions to taxation issues. The BBR has identified several problem areas (e.g. employment tax and taxation of severance payments) and would be most happy to assist in tackling these issues.
Improving public transport and infrastructure

A cross-border labor market goes hand in hand with the stimulation of public transport and infrastructure in the border regions. Currently, cross-border commutes are time-consuming due to a lack of good connections. High-speed train connections could make a real difference. But other solutions can also be envisaged. This problem could be partially solved by public investment in cross-border infrastructure and improved cross-border public transport. In addition, public transport providers could work together to create cross-border public transport services.

Promoting labor mobility

Striving towards a cross-border labor market starts at primary school level. It is often necessary to speak the local language when working in another Member State. The BBR therefore suggests that language and cultural education at primary and secondary school level will be improved. Benelux exchange programmes will also contribute to better language skills and sensitivity to different cultures.

The BBR also recommends setting up a website where information and advice about cross-border living, working and entrepreneurship are provided in Dutch, French, German and English. Ideally, this would be done in cooperation with the relevant ministries. Furthermore, a central contact centre could provide information relevant to employers and employees about social security and taxation. The centre could perhaps build on the Your Europa Advice service of the European Commission. In order to reach a large audience these services could be adequately brought under the attention of citizens, for example by means of promotional campaigns.

The BBR would be honoured to follow up on these suggestions by working together with policy makers and other stakeholders to realise a cross-border labor market within the Benelux.