

**Navigating cross-border labour mobility and employment security in
European shipbuilding: lessons from the COVID-19 crisis**

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Summary

This paper investigates how cross-border mobility in the European shipbuilding industry affected the employment security of standard and non-standard workers in sending and receiving countries during the COVID-19 pandemic? It draws on qualitative findings from Germany, Italy, Norway, Poland and Romania, where shipbuilding production is integrated into transnational networks, leading to high cross-border mobility. Despite restrictions and a reduction of shipbuilding activities, the east-west labour mobility continued during the pandemic contributing to employment security in the east and addressing labour shortages in the west. The findings show that the type of employment contract, national employment protections and workers' mobility status (e.g. posted or self-initiated) influence workers' vulnerability. Specifically, the mobile workers with the most secure employment were also better protected by government measures than those in less secure employment during the pandemic, resulting in hierarchized groups of cross-border labour. Workers engaging in circular migration across Europe were the least protected.

Résumé

Zusammenfassung

Keywords

Labour mobility, production mobility, cross-border mobility, job security, sending and receiving countries, crisis, shipbuilding

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Introduction

The free movement of labour and capital across the European Single Market and the European Economic Area (EEA) are fundamental freedoms enjoyed by EU citizens. While cross-border labour mobility is a key driver of European market integration, inadequate social integration mechanisms make migration, worker postings and intra-corporate transfers across countries are contentious policy issues. Since the 2010s, various initiatives have been aimed at consolidating cross-border social integration mechanisms, as illustrated by the revised Posting of Workers Directive or the establishment of the European Labour Authority at the European level (Zeitlin and Vanhercke, 2018). Moreover, the climate crisis and the COVID-19 pandemic highlighted the need for a socially responsible European response (Crouch, 2022). Given that previous studies focused on developments within Member States (Ban et al., 2022; Meardi and Tassinari, 2022) an empirical investigation is needed of the consequences of the COVID-19 pandemic for cross-border labour mobility.

We investigate the impact of cross-border mobility on the job security of workers with standard and non-standard contracts in the European shipbuilding industry during the COVID-19 pandemic. To do this, we compare qualitative data across five countries with different cross-border mobility patterns. Drawing on a total of 182 semi-structured interviews with

key informants, we examine developments in the countries that send the most intra-EU mobile workers – Romania and Poland (Stefanov et al., 2021) – as well as in those that receive a particularly high number of mobile workers, such as Germany, Italy and Norway (Stefanov et al., 2021).

In all five countries, shipbuilding is a strategic industry, and they all feature cross-border mobility of both labour and production. By examining how cross-border mobility impacts job security in diverse types of employment, this article provides insights into the complex role of mobility, which is often non-linear and ad hoc, in employment security in a pan-European labour market. The COVID-19 crisis exposed and exacerbated existing vulnerabilities within the workforce, and as mobility and immobility intersected (Scott and Rye, 2025) during the crisis, the experiences of workers, particularly those who are mobile, are crucial for understanding broader labour market dynamics.

The findings show that the type of employment contract, national employment protections and workers' mobility status are significant factors influencing workers' vulnerability. Workers with non-standard contracts (for example, working for subcontractors, temporary agencies or solo self-employed), who often lack access to essential protections, were disproportionately affected by the lack of emergency legislation aimed at mitigating the pandemic's impact. These vulnerabilities were particularly pronounced among workers on non-standard contracts who engage in circular migration between European countries. In contrast, mobile workers on standard contracts enjoyed a greater degree of security, benefiting from transnational company networks that were established during the crisis for the purpose of providing employment, thereby allowing these workers to

cope with the crisis more effectively. This disparity underlines the heterogeneity of the group of mobile workers in terms of their employment insecurity and precariousness, and the intersection of different factors in both sending and receiving countries, leading to 'hierarchized mobilities', as pointed out by Arnholtz and Leschke (2023).

Our main contribution is to analyse various ways in which different forms of mobility and contract status intersect to shape variable and unequal access to emergency COVID-19 measures. In particular, the mobile workers with the most secure employment were also better protected by government measures than those in less secure employment.

The article is structured in three sections. Section 1 discusses the mobility of workers and production in transnational markets. Section 2 describes the method employed in the article and examines the case of the European shipbuilding industry. In the empirical section we first discuss the nature of labour market segmentation in the European transnational shipbuilding supply chain and then analyse how mobility intersected with job security for workers on standard and non-standard contracts in European shipbuilding during the COVID-19 crisis. Section 4 discusses the main results, while Section 5 presents the wider implications.

Workers and production across borders in a pan-European market

Multinational firms depend on both mobile and immobile labour to sustain operations. On the one hand, worker mobility allows companies to adapt to shifting demand, moving labour across borders to fill gaps or meet spikes in activity and reduce costs. On the other hand, firms simultaneously anchor

portions of the workforce in specific locations, leveraging their immobility to maintain stability and continuity in production. This dual reliance on the mobility of both labour and production highlights the complexity of labour management within the shipbuilding sector, where mobility enables flexibility and cost reductions, whereas immobility ensures quality control and continuity in localised operations. Scott and Rye (2025) refer to this as the 'mobility-immobility dynamic'. Their research on migrant labour in Norway and the UK horticulture sector shows how worker mobility is managed within specific socio-institutional frameworks. Like construction, horticulture depends heavily on recruiting migrant labour, as production cannot be relocated (Bruzelius and Seeleib-Kaiser, 2023). In contrast, in shipbuilding, both capital and labour can shift across borders in multiple directions, enabling firms to 'exploit opportunities that may arise elsewhere' (Rainnie et al., 2010: 300; see also Lillie, 2012). The transnational nature of the industry creates a flexible, non-linear system mobility (Alberti and Sacchetto, 2024), including seasonal migration, circular migration and short-term labour mobility, such as posted workers and cross-border commuting (Andrijasevic and Sacchetto, 2016).

While the mobility of both labour and production is not a new phenomenon in the pan-European market, this article uniquely connects these two processes. Instances in which production and labour move in opposing directions present more complex pressures for labour, challenging adjustment strategies for all actors involved. End-products are fully mobile, and intermediate products, such as hulls, can be transferred between yards, similar to the automotive industry, in which parts are sourced from multiple factories (Müller and Franz, 2019; Lillie, 2012). Shipbuilding

exemplifies the flexible firm model – a management technique that optimises resource use by employing various forms of flexibility (Kalleberg, 2003). In this industry, production is partly geographically bound, due to fixed capital costs, and partly outsourced. However, the labour intensity and volatility of the industry allow for significant transfers of labour between production sites and countries.

The division of labour between yards in the EU is as follows. Labour-intensive steel components, particularly ship hulls, are produced in Poland and Romania, where heavy steel panels are welded together. In Norway, Germany and Italy, parts of the ships produced elsewhere are assembled, followed by electrical installation and outfitting, which requires a range of skilled workers. This intra-sectoral division of labour spans countries and follows a logic of ‘high-end’ production in Germany, Italy and Norway, with lead firms drawing on suppliers in Poland and Romania, where the ‘low-end’ ship production occurs. This set-up provides cost-cutting options for firms but also creates a dependency on international mobility.

Methods

The theoretical framework of this study is guided by Lakhani et al. (2013), who argued that a country-centric approach is insufficient for addressing employment relations in a globalised context, in which production and services are interconnected across national borders (see also Shire, 2020). To explore the relationship between mobility and job security for workers on both standard and non-standard contracts during the COVID-19 crisis, we employ Scott and Rye’s (2025) distinction between mobility and immobility.

This framework enables an analysis of how these dynamics impact various employment types across regions within the European labour and product markets. Our findings focus on the workforce mobility of workers with standard and non-standard contracts in the European shipbuilding sector.

This theoretical perspective suggests that the interplay between mobility and the precarisation of work create a complex interface, blurring the boundaries between formal and informal sectors and between different types of contracts. These distinctions, which may appear clear on paper, often become intertwined in practice. Thus, non-standard employment relationships range from mobile temporary agency and transnational posted workers to nationally based temporary agency workers and subcontractors. In our approach we started with the traditional distinction between standard and non-standard contracts. Our findings show these blurred boundaries that exist during cross-border mobility and which are made use of in order to enhance job security of workers employed directly by yards and their subcontractors.

We investigate how the mobility of workers on standard and non-standard contracts intersects with job security during crises in the highly integrated European shipbuilding sector, in which labour costs are a key driver of labour mobility. To gain insights, we interviewed key actors from Romania and Poland, the largest intra-EU senders of labour, and Germany, Italy and Norway, the major receivers (Stefanov et al. 2021). These countries represent different labour typologies, such as the Nordic (Norway), Continental (Germany), Latin/Mediterranean (Italy), 'embedded-liberal' (Poland), and neoliberal (Romania) models (Morgan and Pulignano, 2020).

Yet wage differences¹ are central to understanding mobility dynamics in the industry (Dølvik and Wagner, 2024), as monthly gross minimum wages range from €663 in Romania and €978 in Poland to €1907 in Italy, €2049 in Germany and €2600–€2925 in Norway. Our qualitative data come from key actors with knowledge of labour mobility and production within and between shipyards located in Germany, Italy, Norway, Poland and Romania. These shipyards are part of multinational yard conglomerates or international networks of lead firms and suppliers, with production processes interconnected through the free movement of services and goods within the European Single Market and the EEA.

We conducted 24 interviews in Germany, Poland and Romania, 49 in Norway and 65 in Italy. The interviewees were grouped into three categories. First, we interviewed employers' representatives, ranging from CEOs, production managers and human resources managers to representatives of temporary work agencies and employers' associations. These interviewees provided insights into flexible staffing arrangements and cross-border production chains and their key drivers. Second, we interviewed trade union representatives at the yard, sectoral and national levels. They provided information on working conditions of mobile and immobile workers on standard and non-standard contracts and the extent to which trade unions represent or organise different worker groups. Third, we interviewed experts, including health and safety/labour inspection professionals, legal experts, and representatives of non-governmental

¹ Source: Eurofound (2024), monthly national minimum wages converted into euros; the Italian wage refers to the collectively agreed wage in Italian metalworking, rate level 3 (see Dølvik and Wagner, 2024: 7).

organisations. They provided information on the protections and challenges faced by workers, particularly those outside traditional trade union structures. Given our interest in understanding how mobility intersects with the job security of workers on standard and non-standard contracts, we prioritised interviews with workers' representatives, experts and management.

Native-language, semi-structured interviews were conducted using a set of common questions. Access to interviewees was obtained through pre-existing contacts in the industry or by reaching out to potentially relevant informants using publicly available contact information. In some cases, we used the snowballing method to locate and interview other relevant informants.

Both deductive and inductive analyses were performed. Deductive themes, consistent across all contexts, were related to employment forms, their national or transnational characteristics, the shipyard's role within the EU division of labour, the effects of the COVID-19 crisis on production and labour mobility, and how institutional contexts provided social protection to workers in various employment relationships and institutional contexts. In the bi-weekly discussions, other themes were identified inductively, added to the analysis, and reported on at subsequent meetings. Meetings were held to revise and discuss any discrepancies to ensure a consistent approach (Trif et al., 2023). Primary data were supplemented with secondary data, including policy documents, company reports and newspaper articles.

Workforce segmentation in the European transnational supply chain

Shipbuilding involves a variety of activities coordinated within a production system reliant on numerous suppliers (Tenold, 2019). To shorten production times and reduce costs, yards rely not only on skilled core workers who can manage complexity in the production process but also on a flexible workforce employed by subcontractors. The yards in the countries we examined employ different combinations of non-standard work arrangements. However, a common structure was evident: a core group of workers permanently employed on standard contracts alongside a significant proportion of workers on non-standard contracts, often employed through subcontractors, sometimes constituting the majority. While the dominant types of employment contracts vary across the five countries, mobile workers account for a large, and sometimes overwhelming, portion of the non-standard workforce.

The exact nature of these employment forms often remains opaque when workers cross borders, ranging from local subcontractor arrangements to transnational postings via subcontractors, agencies or, in a few cases, intra-company transfers within the main firm. Access to trade unions and representation for workers on non-standard contracts reflects the heterogeneity of the outsourcing chain. For example, in Germany, Italy and Norway, workers employed by subcontractors offering specialised services and high-value-added services enjoy unionisation, adherence to national sectoral agreements, and the presence of national and integrative negotiations. These workers benefit from protections similar to those provided for direct employees. This is also true for highly specialised subcontractors in Germany and Norway. Also, workers employed by large

subcontractors in Romania are covered by company-level collective agreements.

In contrast, informants in all countries noted that subcontractors providing less-specialised, lower-value-added services are characterised by the absence of unionisation and collective bargaining. These companies are strongly exposed to competition, and efforts to alleviate inequalities and extend some protections to different groups within the labour market have had only limited success. In Romania, trade unions indicated that small subcontractors often use informal practices, such as paying minimum wages plus cash in hand to avoid paying payroll taxes. For instance, a union official indicated that the pension of a former shipbuilding worker who decided 10 years ago to work for a small subcontractor to obtain a higher income gets only around a quarter of the pension of his colleagues directly employed by the shipyard. This interviewee indicated that 'while I don't have proof that subcontractors use informal practices, this difference could only be explained by resort to under the table payments' (Romanian union official, 2023).

In Norway, trade unions managed to secure equal rights for workers in non-standard job contracts – primarily Polish and Romanian workers – by extending collective agreements. German trade unions also sought to engage workers employed by both local and foreign subcontracting firms, although their success has been limited and their ambitions modest. Even in yards where works councils succeeded in negotiating company agreements for subcontracted (largely cross-border) workers, their focus was mainly on accommodation and health- and safety-related issues rather than on wages. These efforts were further hindered by the reluctance of

yard management to disclose basic information regarding which subcontracting companies were performing work and how many workers were involved, making it difficult for works councils to reach out to these workers.

This situation unfolds even within a context where the relatively stronger power of trade unions in Norway and Germany has led both labour and management to accept a combination of offshoring and outsourcing to maintain production. As one Norwegian trade union representative explained, 'We, as a trade union, have in many ways had a knife to our throats for many years: either parts of the work are offshored or outsourced and we get foreign workers in from Poland or Romania, or we have to shut down. The competition is hard' (Norwegian union official, 2021). Firms also indicated that they feel compelled to recruit labour from the international market or to offshore production. In Italy, firms follow a similar model. As one trade unionist explained, 'To make a profit, yards outsource tasks to subcontractors, which do the same job for a lower price and are starting to make bigger and bigger parts of the ship in Romania because the labour costs there are much lower' (Italian unionist, Marghera, 2021).

In Poland and Romania, despite the limited associational and institutional resources, labour retains structural power due to the positions of both countries in the global division of labour. If workers are not offered adequate working conditions at home, they will seek better opportunities elsewhere, provided that the exit options (for example, the open labour market in the EU/EEA) remain unobstructed. This supports Meardi's (2012) argument that Central and Eastern European workers often 'vote with their feet', regardless of union support. However, contemporary labour mobility

has shifted from being predominantly permanent to more cyclical (Czarzasty and Mrozowicki, 2023; Trif, 2024). The COVID-19 crisis has significantly impacted labour dynamics within this integrated yet segmented pan-European labour market, particularly affecting transnational mobility.

This raises a critical question: how does transnational mobility interact with job security for workers when certain forms of mobility are curtailed, as seen during the COVID-19 pandemic?

Workers and mobility during the COVID-19 crisis in the pan-European shipbuilding production and labour market

The COVID-19 pandemic, along with the resulting suspension of ship production and the disruption of supply chains, led to a collapse of the cruise ship market and severely restricted cross-border labour mobility for the pan-European workforce. This disruption impacted shipyards across all the countries examined: Italy, Germany, Norway, Poland and Romania. In what follows we examine how mobility intersected job security for workers on standard and non-standard contracts during the pandemic. The distinction between the standard and the non-standard workforce, as it relates to various patterns of mobility, reveals varying levels of access to social benefits.

Standard workforce and mobility during the COVID-19 crisis

The interviewees confirmed that Italy, Germany and Norway implemented the most comprehensive and consistent measures to protect workers on

standard contracts (Müller et al., 2022). These workers benefited from government protections, such as short-term work schemes or lay-off funds, which tied them to their jobs and ensured income and job security during the crisis. Trade union representatives from the shipbuilding sectors in Germany and Norway supported the expansion of national short-term work schemes. They were particularly satisfied with the replacement rates, duration of support and minimum employee requirements for eligibility. In March 2020, the Italian government approved a new agreement for workers on standard contracts, allowing the use of the 'COVID-19 lay-off fund' for direct workers and offering bonus leave for family and personal reasons, according to Italian trade unions (Filippi et al., 2020). These targeted policies prevented high costs associated with job loss and ensured that firms retained access to a core group of employees (Ianuzzi et al., 2024). However, the crisis still had negative impacts on workers on standard contracts. In Germany, for example, direct workers agreed to unpaid overtime to reduce the risk of job cuts. Controversial concession bargaining at the yard level resulted in unpaid overtime for these workers in exchange for fewer job cuts and a reduction in the use of non-standard employment contracts.

In Romania and Poland, workers on standard contracts experienced a combination of state social protection and workforce mobilisation to meet production cycles while providing some level of security. For example, in Romania, employees on standard contracts received 75 per cent of their base salary as compensation for technical unemployment if their companies were unable to operate due to the pandemic (March 2020 to December 2021; Eurofound, 2020b). In Poland, standard employees could

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benefit from reduced working hours under general anti-crisis schemes, with the state covering 40 per cent of average wages (including social security dues) for three months. Despite these measures, workers on standard contracts in Romania and Poland did not benefit from government protection schemes to the same extent as their counterparts in Italy, Germany or Norway. Polish and Romanian shipyards struggled to secure work for their standard workforce, leading to (i) worker-initiated mobility and (ii) firm-initiated mobility of workers.

First, workers on standard contracts in Romania and Poland sought income abroad, leading to cross-border flows. These movements ranged from disorganised and individual strategies relying on social networks to more organised mobility facilitated by staffing agencies and international firm networks (Czarzasty and Dębowski, 2024). Workers were motivated by a lack of orders, perceived job insecurity and limited prospects in Romania and Poland. However, the exact nature of their employment arrangements within the framework of cross-border work remains unclear, with blurred distinctions between posted workers and other forms of temporary labour migration, a phenomenon dating back to pre-COVID 19 times (Matyska, 2018).

Second, against the backdrop of the integrated production networks across the yards, and lacking sufficient social protections for workers on standard contracts in Romania and Poland, firms began relocating the standard workforce across European production sites. To mitigate job losses resulting from the cancellation of orders in Romanian shipyards, workers employed directly by the yards were sent abroad from Romania to Italy. In 2020, over 200 Romanians were posted to an Italian yard for three months,

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and in 2021, 140 workers were posted for 6–12 months (Romanian union official, 2021, 2023). Similarly, Romanian workers were posted to yards in Norway for three months in 2021 to maintain their income.

In sum, during the pandemic, countries such as Italy, Germany and Norway implemented measures including short-term work schemes and lay-off funds to protect workers on standard contracts, maintaining job security while reducing costs for firms. The main difference between Romania and Poland and the western European countries, however, was the amount of social benefits workers received. For example, even income support policies were insufficient to enable workers on standard contracts to pay mortgages or meet the basic needs of themselves and their families. This pushed workers to take up jobs abroad, despite the risks of COVID, to supplement their income. This dual approach may anchor standard labour with protective measures but also requires mobilisation across Europe to prevent job losses and meet production demand. Consequently, workers with standard contracts in Poland and Romania bear more risk than their counterparts in Italy, Germany and Norway, reflecting the unequal burden within the European production and mobility framework.

Non-standard workforce and mobility during the COVID-19 crisis

A significant portion of the cost burden was shifted onto the non-standard workforce during the pandemic. First, workers on non-standard contracts were the first to have their contracts terminated, leading to employment uncertainty. Second, the pandemic highlighted the essential role of worker mobility, especially in sectors such as shipbuilding, in which international

mobility restrictions worsened labour shortages. Third, widespread job losses among workers on non-standard contracts forced many to go abroad, with returning workers receiving minimal state benefits.

Interviewees across all five countries confirmed that a large number of non-standard contracts were terminated immediately, resulting in temporary disruptions and increased risk for workers. For example, a Norwegian labour supplier employing mainly Polish and Romanian workers (welders, plumbers, sheet metalworkers and mechanics) operated on a rotating schedule of four weeks on, two weeks off, with a 54-hour work week, to provide the shipyards with maximum flexibility. During the COVID-19 crisis, foreign workers on non-standard contracts were the first to lose their jobs when orders were delayed or cancelled (Norwegian manager, 2021). This strategy of terminating non-standard contracts was common across all five countries, as shipyards postponed production to stretch out ongoing orders and maintain work for the remaining workforce. The pandemic severely impacted workers sent abroad under subcontracted service agreements in the EU, and the collapse in orders and production disruptions hit them the hardest.

In Germany, the non-standard workforce served as an immediate 'buffer' alongside short-time working schemes, shrinking to less than 30 per cent of its pre-pandemic size (Hüttenhoff and Jaehrling, 2024). This group of workers was unequally affected, however. Part of the expanded short-time schemes were – exceptionally – also extended to temporary agency workers employed by domestic staffing agencies (in contrast to foreign-based staffing agencies), thus illustrating another intersection between employment contract (here: non-standard employment) and (im)mobility

(Hüttenhoff and Jaehrling, 2024). Similarly, posted workers employed by foreign subcontractors fell outside the scope of the extended coverage schemes in Germany, Italy and Norway. Mobile workers excluded from short-time working schemes and other national support measures frequently left the country. Notably, Norway introduced a compensation scheme for employees unable to work in Norway because of tight border restrictions (Norwegian trade unionist, 2021), although only non-resident commuters with established employment and affiliation with the Norwegian National Insurance Scheme were eligible. Few workers on non-standard contracts from Poland or Romania met these criteria, leaving many excluded from short-time working schemes and other national support measures.

Additionally, the pandemic revealed tensions between yard closures and mobile labour. When shipbuilding resumed, severe labour shortages across Europe – exacerbated by the pandemic – increased demand for skilled workers, particularly from Romania and other Eastern European countries. Terminating non-standard contracts protected directly employed workers, but border closures prevented access to flexible labour pools in western yards. This exacerbated production uncertainty and highlighted firms' reliance on mobile foreign labour. In Norway, management expressed concern over the future of orders and potential shutdowns. Additionally, there were concerns about how to facilitate the entry of foreign workers to avoid lay-offs of permanent workers. The foreign labour shortage slowed yard activity, leading to significant temporary lay-offs of Norwegian employees. The trade unions responded by lobbying for travel exemptions for 'essential workers' to maintain operations. This concern for labour

shortages among lead firms formed the background for another form of labour mobility for workers on non-standard contracts. Similar to workers on standard contracts in Romanian yards posted to Norway and Italy, Romanian supplier firms also posted their workers to Italian and Norwegian yards, with the goal of safeguarding their employment during the pandemic (Romanian union official, 2021). It was reported that a Norwegian subcontractor involved in ship painting in Romanian yards posted its Romanian workers to Norway to safeguard their employment during the pandemic (Romanian painter, 2022). This mobility was driven by insufficient orders in Romania, as well as a shortage of workers in Norway as a result of cross-border mobility restrictions during the pandemic. This employer-driven mobility of workers on standard and non-standard contracts both served the interests of the lead firm (to avoid labour shortages) and worked as a form of job retention scheme for supplier firms in Romania who thereby secured employment stability for their own workers.

The pandemic underscored the vital role of worker mobility, particularly in sectors such as shipbuilding, in which international restrictions intensified labour shortages. At Fincantieri's Italian shipyards, the impact of the health crisis was mitigated through negotiated measures and government social security programmes. However, outsourced workers bore a disproportionate burden, struggling to access protective measures because of irregular employment contracts.

Third, while non-standard work is filled predominantly by non-native workers, posted work has gained significant prominence, particularly due to the interplay between the regulations of sending and receiving states. This

interaction becomes especially pertinent during times of crisis, such as the COVID-19 pandemic. Posted workers, who are typically sent by their employers in one country to work in another, operate within a complex regulatory framework governed by both the sending and receiving states (see also Lillie et al., in press, in this issue). The cases of Poland and Romania during the pandemic highlight the challenges of this arrangement. In Poland, the lack of specific support measures for returning posted workers exposed gaps in the regulatory framework, demonstrating how the absence of coordinated support can adversely impact workers (Polish managers 1 and 2; trade unionist 1, 2021).

In contrast, Romania's income support schemes for returning workers and other vulnerable groups offered a more comprehensive approach to managing the intersection of sending and receiving state regulations during a crisis (Eurofound, 2020a). This measure stipulated that the government would cover up to €510 of the wages lost in 2020 by both Romanian workers and returning Romanian migrants whose contract had been terminated during the pandemic (Eurofound, 2020a). Still, this support was not sufficient to make ends meet for many workers. Accordingly, some of them took the risk of obtaining short-term work abroad, despite the cross-border restrictions during the pandemic, as it was easy to find work abroad, given the shortage of shipbuilders in many EU countries (Romanian union official, 2023). The large-scale repatriation of Romanian citizens from western Europe in the first year of the pandemic further emphasises the critical role of state intervention in supporting mobile workers and tackling the regulatory challenges posed by such crises (Eurofound, 2020a). But no interviewees reported any impact from the revised Posted Workers

Directive in securing job security in this setting. This comparison highlights the importance of examining posted work within the broader context of transnational regulation and crisis response.

Discussion

The COVID-19 crisis dramatically reshaped the landscape of labour mobility within the pan-European shipbuilding market, revealing intricate dynamics of workforce movement. The empirical analysis of how cross-border mobility affects different groups of workers who move between sending and receiving countries in times of crisis confirms that the type of employment contract (Eichhorst and Tobsch, 2015), national job security protections as well as the *mobility* of workers (Scott and Rye, 2025) have a significant impact on their relative vulnerability.

Workers on non-standard contracts, who often lack access to vital protective measures, were particularly affected by the lack of emergency legislation to mitigate the effects of the pandemic. These findings align with previous research showing that non-standard contracts indeed often lack the protections afforded to standard contracts (Doellgast et al., 2018). Our data revealed that workers on non-standard contracts were excluded from attempts to close the protective gaps between workers on standard and non-standard contracts, exacerbated by the pandemic. This exclusion is the result of regulatory gaps in transnational labour markets, in which short-time working schemes do not cover workers engaged in cross-border work, and de facto gaps in protection within national systems, especially in segments with a high share of mobile workers. For instance, cross-border

workers in local subcontracted firms were often not covered by collective agreements, lacked employee voice mechanisms, and even where they were formally entitled to them de facto did not make use of the available protective schemes available during the pandemic (Italy, Germany). Consequently, mobile labour was at a disadvantage and bore the social costs of the pandemic (Cremers, 2022; Rasnača, 2020).

In the context of the COVID-19 pandemic, social inequalities between workers on standard and non-standard contracts, and between Western and Eastern (Danaj and Meszmann, 2024) countries were expected to increase based on within- and between-country factors (Natili et al., 2023). Our analysis refines this understanding by showing how mobility intersects with standard and non-standard contracts and job security. In terms of employment outcomes, these intersections do not produce dualisation or clearcut categories. Instead, they intersect in various ways, producing heterogeneous outcomes even within one 'category'.

In Romania and Poland, labour mobility could enhance job security and related benefits, particularly for workers who are directly employed and for the first tier of local suppliers, often large companies whose workers are covered by collective agreements (the latter is a rarity in Poland). For these workers, labour mobility has provided income security and, to some extent, job security for larger subcontractors, some of whom sent people abroad in the context of a severe labour shortage in Norway during the pandemic. Here, established transnational company networks could be activated during the crisis, offering more income for workers who moved for work temporarily and a continuous production cycle for yards abroad. While this does not provide job security in the sense of a standard contract, it does

contribute to 'income security', which is very important when wages are low. Similar types of circular mobility occurred in the German meat industry, in which Romanian workers were willing to take the risk of going to work in Germany, despite restrictions during the pandemic (Ban et al., 2022). The low levels of social benefits in countries such as Romania pushed workers on non-standard contracts who had lost their jobs to take high risks.

This disparity highlights a key observation: at times, intra-EU mobility consists of workers with standard contracts who are better able to cope with crises thanks to the applicable safeguards, a finding similar to those of Lillie et al., in this issue. Against the backdrop of an integrated production and labour market structure our findings show that both worker- and firm-initiated mobility were important mechanisms for maintaining job (and income) security for workers in Romania and Poland. Workers on standard contracts in Romania and Poland sought employment opportunities abroad, resulting in different, often opaque kinds of cross-border labour flows. In addition, in response to inadequate social protection and the challenges of securing work for their standard workforce, companies began to transfer workers between European production sites. This dual approach facilitated mobility to mitigate job losses and meet production demands. However, it also meant that workers with standard contracts in Poland and Romania faced greater risks than those in more protected markets, such as Italy, Germany and Norway, highlighting the unequal burdens within the European production and mobility framework.

A potential explanation for this is that the crisis situation created by the COVID-19 pandemic produced tensions, with openings and closures. On the one hand, the economic downturn and production losses left trade

unions in the west unable to protect the labour standards of mobile workers on non-standard contracts, illustrating a sedentary logic in which protective measures benefit settled populations but complicate protection for mobile workers. On the other hand, the restrictions on mobility during the pandemic highlighted the critical role of mobile labour in the shipbuilding sector. As firms encountered labour shortages as a result of border closures, their reliance on non-standard, mobile workers became evident, underscoring the essential role these workers play in maintaining production continuity. In fact, the labour shortage of Romanian workers in Norway, due to border closures, created exit options for these workers. In Poland and Romania, certain company-level strategies facilitated mobility for workers on standard contracts seeking to secure employment.

Conclusion

The results show that workers on standard contracts had to make concessions, although we do not necessarily see an overall race to the bottom. This trend is reminiscent of the 2008 financial crisis, in which the decentralisation of collective bargaining led to a convergence of working conditions, often at the expense of standard contracts, thereby harming workers on both standard and non-standard contracts (Erne, 2015; Trif et al., 2023). This highlights the fragility of labour standards in an environment in which institutional protections are weakened and mobility dynamics shift. It recognises the intricate and non-linear web of labour exchanges and the different ways through which workers can secure jobs during times of crisis. Thus, policies designed primarily for settled populations marginalise mobile workers, who find themselves excluded from institutional protections (Follis

et al., 2023). This exclusion becomes particularly pronounced during crises, raising essential questions about access to social rights and protections for mobile labour.

However, the blurring of boundaries between workers on standard and non-standard contracts is also a result of what Rubery et al. (2018) have termed a process of ‘normalising’ precarious work, in the sense of extending (some of the) protections usually offered to workers on standard contracts to those on non-standard contracts. This also applies in part to the dynamics we observed in the shipbuilding sector, with job retention schemes – either short-time work schemes, or transnational intra-firm mobility, as in the case of Romania – being extended to subcontractors.

What are the implications for trade unions operating in this internationally mobile sector? There is a pressing need to prepare for future employment crises, given the crisis-ridden nature of shipbuilding. The reliance of trade unions on promoting mobility to secure employment for their constituencies raises questions about the effectiveness of Europe-wide labour protection. Norwegian unions advocated for cross-border mobility during the pandemic in order to bolster production and employment opportunities for the local workforce (Dølvik et al., 2024). In contrast, Romanian trade unions managed to send some of their workers abroad to secure employment when opportunities were scarce in Romanian yards. To achieve their goals, trade unions must foster connections at a European level and capitalise on opportunities to strengthen collaboration across interconnected yards.

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