

# BACK TO WORK

Growing with Jobs in Europe and Central Asia

## LABOR MOBILITY: LEADING WORKERS TO JOBS

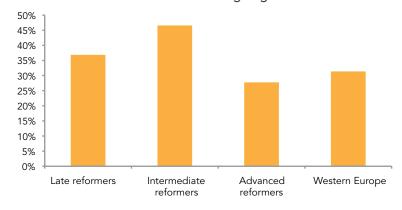
While many workers in Europe and Central Asia cross international borders in search of better economic opportunities, mobility within countries is generally low despite persistent regional disparities in unemployment rates, labor productivity and wages. This low internal mobility often prevents people from relocating to economically thriving regions. Greater internal mobility would help to bring knowledge and human capital closer together, thus increasing productivity and better labor market matching, and ultimately raising wages and living standards.

#### Internal mobility is low in most countries



Of the few people who move, many do not go to urban areas with higher job creation potential

#### Share of internal moves going to rural areas







#### The gains from higher internal mobility can be large

Higher employment



**EMPLOYMENT** 

Lower unemployment



UNEMPLOYMENT

Higher wages



**WAGES** 

### Removing obstacles for internal labor migration



**Develop housing and credit markets** 



Make social benefits portable



Reduce administrative requirements for moving



Improve labor market information systems



Reform regional policies, such as agricultural subsidies



Invest in generic, transferable skills



Improve connectivity and access to basic services