

## Sweden: €2.13 million in job-search aid for 900 former Ericsson staff

- Redundancies in Stockholm, Västsverige, Östra Mellansverige and Sydsverige
- Ericsson hit by Asian competitors and negative growth in telecoms hardware production
- EU funds to cover measures such as start-up grants and mobility allowances

**900 workers made redundant by telecoms company Ericsson should receive EU aid worth €2,130,400, following a Budgets Committee vote on Thursday.**

Since 2014, Ericsson has entirely shut down three factories and closed telecoms hardware production lines at various sites due to restructuring and offshoring of activities. The telecoms business has faced growing competition, especially from Asian companies, and experienced negative growth in its hardware-centric business line and technology upgradation, resulting in fewer people being required. In total 2,388 workers were laid off, 900 of whom will benefit from the proposed measures.

This is a second application for EU job-search aid from Ericsson, after a first in March 2016, as the company has been gradually cutting staff in Sweden. The redundant employees worked in Stockholm, Västsverige, Östra Mellansverige and Sydsverige. Most of them are male, between the ages of 30 and 54.

The aid from the [European Globalisation Adjustment Fund](#) (EGF) will cover 60% of the total cost. Five types of measures are planned. These cover career planning, start-up grants, education, job search and mobility allowances. Measures for disadvantaged groups are also foreseen, aimed at individuals over 50 years old or with physical disabilities.

The Budgets Committee approved the aid by 30 votes to 2, with 0 abstentions.

## Next steps

To take effect, the aid has to be approved by the Parliament as a whole on 1 March, and by the Council on 27 February.

## Background

The European Globalisation Adjustment Fund contributes to packages of tailor-made services to help redundant workers find new jobs. Its annual ceiling is €150 million.

Redundant workers are offered measures such as support for business start-ups, job-search assistance, occupational guidance and various kinds of training. In most cases, national authorities have already started the measures and will have their costs reimbursed by the EU when their applications are finally approved.

## Further information

[Procedure file](#)

[Profile of rapporteur Urmas Paet \(ALDE, ET\)](#)

## Contacts

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