



Budgets Committee approves aid for redundant Romanian, Dutch and Greek workers

Committees Committee on Budgets [11-09-2014 - 10:11]

Redundant workers in the building industry in two Dutch regions, at a Greek bakery, and at a steel producer in Romania would receive European Globalisation Adjustment Fund aid to help them find new jobs under plans approved by the Parliament's Budgets Committee on Thursday. The aid still has to be approved by Parliament as a whole and the Council of Ministers.

Building industry in The Netherlands

The Dutch authorities applied for support after 89 building firms in the Gelderland and Overijssel provinces were forced to make workers redundant due to a lack of orders linked to the global financial and economic crisis. The crisis led to declines in bank lending to small and medium-sized firms, public spending and house prices..

The €1,625,781 in EGF aid will pay for training and other measures to help to 475 redundant workers back into jobs.

Bakery in Greece

Ailing Greek baker Nutriart and its suppliers made 508 people redundant in the regions of Attica and Central Macedonia. The crisis meant households could no longer afford Nutriart's fresh or frozen bakery products, and the companies' management was disrupted by delays in payments from most of their clients. At the same time, Greek banks proved to be unable to provide credit.

The €6,096,000 in EGF aid will pay for counselling, re-training and job-search assistance to help the 508 redundant workers back into work. It will also help pay for training for 505 young people without jobs and not in education in Central Macedonia, which has a youth unemployment rate of 60.4%.

Steel producers in Romania

The Romanian authorities applied for EGF aid to help 1,000 workers made redundant by steel product maker Mechel Campia Turzii and its supplier. Demand for finished and semi-finished steel products manufactured by these companies fell sharply mainly due to imports from China, which forced Mechel, one of the largest employers in the Cluj County region, to downsize. EGF aid has been requested five times for redundant steel workers, as the EU share of world steel production is in steep decline.

The €3,571,150 EGF aid will help pay inter alia for vocational guidance, starting up new firms and providing mentoring after landing a job.

Background

The European Globalisation Adjustment Fund was set up to provide additional support for workers made redundant as a result of major structural changes in world trade patterns due to globalisation or the financial crisis and to help them find new jobs. Between 2014 and 2020, the annual ceiling of the fund is €150 million. Redundant workers are offered measures such as support for business start-ups, job-search assistance, occupational

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guidance and various kinds of training. In most cases, national authorities have already started the measures and will get their costs reimbursed by the EU when their applications are finally approved.

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