



EU job-search aid for former metal workers in Spain and carmakers in Belgium

Committees Committee on Budgets [07-10-2014 - 11:43]

Over a thousand former workers at firms producing metals in Comunidad Valenciana (Spain) and cars around Genk (Belgium) should get EU aid to help them find new jobs, the Budgets Committee recommended on Tuesday. The proposed European Globalisation Adjustment Fund (EGF) aid still needs to be approved by both Parliament as a whole and the Council of Ministers.

Declining metal output in Valenciana

Over 600 jobs were lost at 142 metal producing firms in the Spanish region of Comunidad Valenciana, due to shrinking demand for metal products and a general decline in metal production. Across the region, 43% of metal workers' jobs disappeared as metal product manufacturing declined by 36.6% between 2008 and 2013.

Spain applied for EGF aid to help 300 of the redundant workers. They will receive aid worth €1.019 million to pay for, inter alia, careers advice, skills development, on-the-job training, or incentives to start a business.

Carmaker closures in east-Belgium

Ford Genk and ten of its suppliers have made 512 workers redundant in a first wave of redundancies leading up to the planned closure of the plant at the end of 2014. There are to be two further waves of redundancies, totalling over 7,000, before the plant ceases production altogether. The shutdown is due to a decline in passenger car production and in sales of new cars in the European Union.

Of the 512 workers made redundant in the first wave 479 would qualify for EGF aid worth €911,934 for job search assistance, training and re-training measures already put in place by the Belgian authorities.

What's next?

The applications will be put to the vote by Parliament as a whole on 22 October, and by the Council of Ministers on 16 October.

Background

The European Globalisation Adjustment Fund provides 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 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.

Press release

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