



EU job-search aid for former workers at Finnish shipyard and French abattoir

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The EU should provide aid worth €2.35 million to help find or create new jobs for workers made redundant by shipbuilders STX Finland Oy and the GAD abattoir in France, the Budgets Committee recommended on Thursday. The European Globalisation Adjustment Fund (EGF) aid still has to be approved by Parliament as a whole and the Council of Ministers.

Finnish shipyard: € 1.43 million for 565 workers

The EGF aid is to help 565 workers made redundant in the STX Finland Oy shipyard in Rauma, south-west of Finland. The EU's world market share in shipbuilding fell from 13% in 2007 to 5% in 2013, due mainly to tough competition from Chinese, South Korean and Japanese yards with lower labour costs. Most of the former STX workers are elderly and lack qualifications for new jobs in an area that is traditionally reliant on heavy metal working.

The €1.43 million EGF aid is intended mainly to help workers to transfer to new jobs, start their own businesses or to attend training.

GAD in France: €0.92 million for 760 workers

The French abattoir and meat processing firm GAD was forced to lay off 760 workers when pig meat sales plummeted across the EU. Overall, pig meat consumption fell from 43 kg per person in 2007 to 39 kg in 2013. Consumer demand was depressed by pork price rises, due to a doubling of the cost of pig feed, and to household spending cuts due to the crisis. As a consequence, GAD, once a profitable company, made a €65 million loss from 2010 to 2013.

The €0.92 million EGF aid is to pay a consultancy team is to advise redundant workers. Budget Committee MEPs called on the French authorities to propose a wider range of measures to help workers find jobs.

What's next?

Parliament as a whole is to vote on the applications at its November II plenary session, and the Council is expected to vote on them on 25 November.

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 guidance and various kinds of training. In most cases, national authorities have already started taking measures and have their costs reimbursed

Press release

by the EU when their applications are finally approved.

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