



EU job-search aid for redundant workers in France, Greece, Italy and Poland

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Some 6,000 workers made redundant in France, Greece, Italy and Poland should receive EU aid worth €35.5 million to help them find or create jobs, recommended the Budgets Committee on Thursday. The European Globalisation Adjustment Fund (EGF) aid still has to be approved by Parliament as a whole and the Council of Ministers.

Air France: €25 million for 3,886 workers

The French flag carrier applied for support after making 3,886 people redundant due to fierce competition, primarily from three airlines in the Persian Gulf, and rising fuel prices. The impact of the redundancies is aggravated by closure of a Peugeot company in the Ile-de-France region, where Air France is based.

The €25,937,813 EGF aid, most of which would reimburse the French authorities for schemes it has already funded to reintegrate redundant workers into a workplace, is the largest single amount ever paid out by the fund.

Odyssefs Fokas: €6.44 million for 600 workers

Greek retailer Odyssefs Fokas was forced to let go of 600 workers due to a huge drop in purchases, caused mainly by falling household income in Greece, which has the world's fifth highest unemployment rate. At the same time, the firm suffered from drastic cuts in business lending as Greek banks struggled to stay afloat.

The €6.44 million in EGF aid would be used to help former Odyssefs Fokas employees to start their own businesses or to get re-trained. This is the third application for EGF aid for a Greek retailer.

Whirlpool: €1.89 million for 608 workers

Whirlpool Europe S.r.l. and its suppliers in Italy's Trento province made 608 workers redundant due to falling demand for household appliances as crisis-hit consumers delayed purchases. The redundancies aggravated unemployment in a region where the jobless rate has doubled since the start of the crisis to 6.1% in 2013.

The Italian authorities would use the €1.89 million EGF aid to help the laid off workers find employment. This is the third application for EGF aid for Italy's electrical equipment manufacturing sector.

Fiat Auto Poland: €1.26 million for 777 workers

Italian car maker Fiat made over 1,000 workers redundant at its Tychy plant in the south of Poland due to loss of European market share in passenger car production. Output fell by almost a third from 2011 to 2012, hitting both the factory and its suppliers in a region where unemployment has been steadily increasing since 2011.

This is the 22nd EGF aid application for the automotive sector. The €1.26 million EGF aid will contribute to the costs of various training schemes to help 777 workers get back to work.

Press release

Next steps

Parliament as a whole is to vote on the applications at its December plenary session. The Council's decision is expected on 15-16 December.

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 by the EU when their applications are finally approved.

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