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Mobilisation of the European Globalisation Adjustment Fund: application EGF/2017/005 FI/Retail


The European Parliament,

– having regard to the Commission proposal to the European Parliament and the Council (COM(2017)0618 – C8-0364/2017),


– having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020, and in particular Article 12 thereof,

– having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (IIA of 2 December 2013), and in particular point 13 thereof,

– having regard to the trilogue procedure provided for in point 13 of the IIA of 2 December 2013,

– having regard to the letter of the Committee on Employment and Social Affairs,

– having regard to the letter of the Committee on Regional Development,

– having regard to the report of the Committee on Budgets (A8-0366/2017),

A. whereas the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis, and to assist their reintegration into the labour market;

B. whereas the Union’s financial assistance to workers made redundant should be dynamic and made available as quickly and efficiently as possible;

C. whereas Finland submitted application EGF/2017/005 FI/Retail for a financial contribution from the EGF under the intervention criteria set out in point (b) of Article 4(1) of the EGF Regulation following 1 660 redundancies in three enterprises operating in the economic sector classified under the NACE Revision 2 Division 47 (Retail trade, except motor vehicles and motorcycles) in the NUTS level 2 regions of Länsi Suomi, Helsinki-Uusimaa, Etelä-Suomi and Pohjois- ja Itä-Suomi in Finland; whereas 1 500 redundant workers are expected to participate in the measures;

D. whereas the financial control of the actions supported by the EGF is the responsibility of the Member State concerned, as laid down in Article 21(1) of the EGF Regulation;

1. Agrees with the Commission that the conditions set out in point (b) of Article 4(1) of the EGF Regulation are met and that Finland is entitled to a financial contribution of EUR 2 499 360 under that Regulation, which represents 60 % of the total cost of EUR 4 165 600;

2. Notes that the Commission respected the deadline of 12 weeks from the receipt of the completed application from the Finnish authorities until the finalisation of its assessment on the compliance with the conditions for providing a financial contribution on 23 October 2017 and notified its assessment to Parliament on the same day;

3. Notes that Finland argues that the redundancies are linked to major structural changes in world trade patterns due to globalisation, more particularly to the exponential growth of international online trading; notes, in particular, that the increase in online sales of retail products in Finland, combined with the popularity of non-EU web-shops with Finnish consumers, has led to a steady decrease in the sales of conventional Finnish department stores since 2014;

4. Notes that all four NUTS-2 regions of Finland are affected by the dismissals that occurred at two major Finnish department store chains; recognises that such stores have faced declining cash-flow and profitability arising from the growth of e-commerce, changing shopping habits and weak consumer confidence;

5. Recalls that the dismissals occurred at two major Finnish department store chains and one subsidiary, which since 2015 have all experienced serious issues of declining profitability and deteriorating cash-flow due to the rise of e-commerce, changing shopping habits and weak consumer confidence; regrets that in early 2017 two of the companies concerned had to close down completely;

6. Is aware that, at the same time, a major change in the nature of retail jobs has occurred, with part-time jobs requiring new skills, such as IT, forecasting, data analysis, communication, customer knowledge and logistical skills, on the rise; regrets that 43 % of Finnish retail staff, who are over 45 years old, lack such skills; considers that
impediments to re-employment for those over 50 years old represent an important issue and awaits with interest an evaluation of the career coaching pilots that have been included for this group of redundant workers;

7. Underlines that a large number of the redundant workers are over the age of 55 and over 76 % are women; in view of this, acknowledges the importance of active labour market measures co-funded by the EGF for improving the chances of reintegration in the labour market of these vulnerable groups; welcomes that particular importance has been paid to tailoring the proposed measures to the specific needs of the target groups;

8. Notes that Finland is planning seven types of measures for the redundant workers covered by this application: (i) coaching measures and other preparatory measures, (ii) employment and other business measures, (iii) training courses, (iv) start-up grants, (v) career coaching pilots, (vi) pay subsidies, (vii) allowances for travel and accommodation; welcomes the planned career coaching pilots looking at physical, mental, or other issues that may act as an impediment to re-employment for beneficiaries over 50 years old; notes that sufficient funds are allocated to control and reporting;

9. Notes that the income supports measures will constitute 22,05 % of the overall package of personalised measures, well below the maximum 35 % set out in the EGF Regulation and that those actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities;

10. Acknowledges that the coordinated package of personalised services has been drawn up in consultation with representatives of the Centres for Economic Development, Transport and Environment of Uusimaa, Pirkanmaa, Pohjois-Pohjanmaa, Varsinais-Suomi and the Employment and Economic Development Office of Uusimaa, as well as company and trade union representatives;

11. Notes that the Finnish authorities have provided assurances that the proposed actions will not receive financial support from other Union funds or financial instruments, that any double financing will be prevented and that they will be complementary with actions funded by the Structural Funds;

12. Recalls that the design of the coordinated package of personalised services supported by the EGF should anticipate future labour market perspectives and required skills, and should be compatible with the shift towards a resource-efficient and sustainable economy;

13. Reiterates that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements, or measures for restructuring companies or sectors;

14. Calls on the Commission to urge national authorities to provide more details, in future proposals, on the sectors which have growth prospects and are therefore likely to hire people, as well as to gather substantiated data on the impact of the EGF funding, including on the quality of jobs and the reintegration rate achieved through the EGF;

15. Recalls its appeal to the Commission to assure public access to all the documents related to EGF cases;

16. Approves the decision annexed to this resolution;
17. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the *Official Journal of the European Union*;

18. Instructs its President to forward this resolution, including its Annex, to the Council and the Commission.
ANNEX

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Finland – EGF/2017/005 FI/Retail)

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2018/7.)