€3 million in job search aid for redundant Finnish and Irish workers

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Finland and Ireland should get EU aid worth €2.6 million to help find new jobs for 1,200 redundant Finnish IT workers and over €400,000 for 108 redundant Irish aircraft repair workers, following a vote by the budgets committee on Thursday. The European Globalisation Adjustment Fund (EGF) aid still needs to be approved by Parliament as a whole and by the Council of the EU.

Finland

Sixty-nine Finnish computer programming firms let staff go over the autumn of 2014 and the spring of 2015, after Nokia and Microsoft software development orders ceased and global competition accelerated. As a consequence, software development and operating system design that used to employ thousands of Finns were transferred to countries outside Europe. Most Finnish redundancies occurred in the area around Helsinki, and in the northern half of Finland where there is a relatively high unemployment rate.

Finland applied for €2,623,200 in EGF aid which covers 60% of the overall costs of reintegrating the workers into jobs. MEPs asked the Commission to oversee and to evaluate the use of the money granted in response to the application.

Ireland

PWA International, an aircraft repair and maintenance firm in the county of South Dublin, closed in June 2015 after its owners decided to concentrate its operations in North America and Asia to be near to centres of global aviation expansion. Another reason for the shutdown was a decline in the use of the aircraft engines that the Irish engine shop repaired. In addition, it was not able to deliver repaired jet engines to a major customer, Korea Airlines, free of duty because there is no customs-duty exemption clause in the EU-Korea Free Trade Agreement. As a result, 108 workers lost their jobs at the company and at one of its suppliers.

This is the third Irish application in the jet engine repairs sector to date, and it amounts to €442,293 in aid to help workers re-enter the job market.

Despite voting to grant the support, MEPs nevertheless criticised the Irish application, both for covering too few people and for covering some whom they felt could easily find jobs due to their age and to their specific knowledge of jet engines.

Next steps
To take effect, the aid has to be approved by the Parliament as a whole on 15 December. Council decides on the cases on 14 December.

**Background**

*The European Globalisation Adjustment Fund contributes to packages of tailor-made services to help redundant workers find new jobs. Its annual ceiling 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 have their costs reimbursed by the EU when their applications are finally approved.*

*In the chair: Mr Jean Arthuis (ALDE, FR)*

**Further information**

- Draft reports on the applications of Finland and Ireland: [http://www.emeeting.europarl.europa.eu/committees/agenda/201512/BUDG/BUDG%282015%291210_1/sitt-1195851](http://www.emeeting.europarl.europa.eu/committees/agenda/201512/BUDG/BUDG%282015%291210_1/sitt-1195851)

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