

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the food manufacturing sector in France

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The Committee on Budgets adopted the report by Anneli JÄÄTTEENMÄKI (ALDE, FI) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, to the amount of EUR 918 000 in commitment and payment appropriations in order to assist France following redundancies in the food manufacturing sector.

Members recalled that the Union 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 and to assist their reintegration into the labour market.

French application: France submitted application EGF/2014/005 FR/GAD on 6 June 2014 following the dismissal of 744 workers in GAD société anonyme simplifiée, an enterprise which operated in the economic sector classified under NACE Rev. 2 division 10 ('Manufacture of food products'). Members noted that the French authorities submitted the application under the intervention criterion set out in Article 4(1)(a) of the EGF Regulation, which requires at least 500 workers being made redundant or self-employed persons' activity ceasing, over a reference period of four months in an enterprise in a Member State, including workers made redundant or self-employed persons' activity ceasing in its suppliers and downstream producers. Therefore, **France is entitled to a financial contribution under that Regulation.**

They welcomed the fact that, in order to provide workers with speedy assistance, the French authorities decided to initiate the implementation of the personalised services to the affected workers on 3 January 2014, ahead of the final decision on granting the EGF support for the proposed coordinated package.

Nature of the redundancies: Members noted that these redundancies will aggravate the unemployment situation in Bretagne, as employment in this region is dependent on the agro-agricultural sector to a higher extent than the average in France (11% in Bretagne as opposed to 5% on average in France). They stated that 17.5% of the dismissed workers are aged between **55 and 64 years**. This age group is at a higher risk of prolonged unemployment and exclusion from the labour market. They considered, therefore, that these workers may have specific needs when it comes to providing them with personalised services.

Coordinated package of personalised services: Members regretted that the personalised services which are to be provided consist of **only one action:** to be implemented by a one-stop-shop (Cellule de reclassement) which is run by two contracting agencies. They expressed concerns with regard to the low amount of funds per worker (approximately EUR 1 200) and called on the French authorities to propose a more ambitious programme for the remaining closing sites of GAD. Members recalled that the funds have to help the workers and not, in any case, support the agencies.

Lastly, they recalled that in line with Article 7 of the EGF Regulation, the design of the coordinated package of personalised services should be compatible with the shift towards a resource-efficient and sustainable economy.