

# Mobilisation of the European Globalisation Adjustment Fund: redundancies in the shipbuilding sector in Finland

2014/2137(BUD) - 25/11/2014 - Budgetary text adopted by Parliament

The European Parliament adopted by 597 votes to 77, with 11 abstentions, a resolution 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 1 426 800** in commitment and payment appropriations in order to assist Finland following redundancies in the shipbuilding sector.

Parliament 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.

**Finnish application:** Finland submitted application EGF/2014/008 FI/STX Rauma on 27 May 2014 following the dismissal of 577 workers in STX Finland Oy, an enterprise which operated in the economic sector classified under NACE Rev. 2 division 30 ('Manufacture of other transport equipment'). Parliament noted that the Finnish authorities submitted the application under the intervention criterion of 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, **Finland is entitled to a financial contribution under that Regulation**.

Parliament welcomed the fact that, in order to provide workers with speedy assistance, the Finnish authorities decided to initiate the implementation of the personalised services to the affected workers on 15 January 2014, ahead of the final decision on granting the EGF support for the proposed coordinated package.

**Nature of the redundancies:** Parliament noted that the Finnish authorities argue that the global maritime industry has changed dramatically in recent years and that, in this global context, the EU market share in shipbuilding has plummeted whilst Asia's market has expanded significantly. Parliament noted that these redundancies will further aggravate the unemployment situation in Southwest Finland, as most of the dismissed workers have a poor standard of education in combination with relatively advanced age (41.42% of the dismissed workers are between the age of **55 and 64 years**), which is likely to increase the risk of prolonged unemployment. It considered therefore that these workers may have specific needs when it comes to providing them with personalised services.

**Coordinated package of personalised services:** Parliament noted that the personalised services which are to be provided consist of the following three types of measures for the redundant workers covered by this application: (i) helping them transfer to a new job, (ii) helping them start their own business, and (iii) providing training or education.

It welcomed the establishment of Service Points amongst the proposed actions which are expected to provide an even more personal and in-depth service than the public employment office. It also welcomed the idea that those planning to **start a business** can experience what it is like to be an entrepreneur by means of a placement in an existing enterprise.

Parliament noted that the purpose of the pay subsidies is to ensure that targeted workers hired by new employers do not lose out in the first period of their new employment. Such a measure could serve as an incentive to searching and engaging in a broader spectrum of new and unfamiliar jobs for the workers.

**Complementary measures of the EGF:** lastly, Parliament called for the European Social Fund (ESF) measures planned within the new ESF programming period to complement the measures proposed and to facilitate the worker's reintegration in future-oriented and sustainable economic sectors.