Mobilisation of the European Globalisation Adjustment Fund: redundancies in transport services in France

2015/2056(BUD) - 15/04/2015 - Budgetary text adopted by Parliament

The European Parliament adopted by 535 votes to 79 with 9 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, amounting to **EUR 6 052 200** in commitment appropriations in order to assist France which has been affected by redundancies in the transport sector.

Parliament recalled that the Union had set up legislative and budgetary instruments to provide additional support to workers who were 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.

France's application: France submitted application EGF/2014/017 FR/Mory-Ducros for a financial contribution from the EGF, following 2513 redundancies in Mory-Ducros SAS operating in the NACE Rev. 2 division 49 ('Land transport and transport via pipelines'). **France was entitled to a financial contribution under that Regulation**.

Parliament 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 24 February 2014, well ahead of the decision and even the application on the granting the EGF support for the proposed coordinated package.

Nature of redundancies: Parliament observed that the redundancies in Mory-Ducros SAS were linked to the general decline in physical output in Europe, which lead to a the reduction in volumes to be transported and triggered a price war in the road haulage sector, resulting in a steady deterioration in operating margins and a series of losses for the sector in France since 2007. This was followed by a wave of bankruptcies, including that of Mory-Ducros. Those events were directly linked to the global financial and economic crisis.

Members underlined that over 17 % of the beneficiaries expected to be targeted by the proposed actions were in the 55-64 age group and that their participation in the proposed support measures would help them to avoid long-term unemployment and social exclusion.

Personalised services: Parliament noted that the personalised services to be provided consisted of only one action to be implemented by a one-stop-shop, which was run by three contracting agencies. France requested only the funding of this one-stop-shop from the EGF.

Contracting agencies: Parliament noted that the task of the contractors was to assist and guide the redundant workers and help them find solutions enabling them to remain in the labour market and start new jobs. The three contractors operating the Cellule de reclassement were selected by the judicial administrator following consultations with the representatives of the redundant workers. The monitoring of the activity of the agencies by means of regular written reports ensured the appropriate use of the EGF funding to provide participants with a personalised career path, a sufficient number of job offers and mentoring for business creation within the framework of the one-stop-shop system.

Parliament recalled that EGF funding was intended to help the workers find new employment through training and not in any case to support the agencies and their administrative costs. It also recalled that the design of the coordinated package of personalised services should **anticipate future labour market perspectives** and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy.

Older workers: Parliament considered that workers in the 55-64 age group were at a higher risk of prolonged unemployment and exclusion from the labour market. These workers had specific needs when it came to providing them with a personalised approach. Members noted that the information provided on the coordinated package of personalised services to be funded from the EGF included information on complementarity with actions funded by the Structural Funds. The French authorities confirmed that the eligible actions did not receive assistance from other Union financial instruments.

Parliament reiterated its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect of the existing regulations and that no duplication of Union-funded services could occur.