Mobilisation of the European Globalisation Adjustment Fund: redundancies in the call center sector in Italy

2017/2200(BUD) - 14/11/2017 - Budgetary text adopted by Parliament

The European Parliament adopted by 579 votes to 79, with 15 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 (EGF) as a result of an application submitted by Italy - Application EGF /2017/004 IT/Almaviva.

Parliament **approved the proposal for a decision to mobilise the EGF to provide a financial contribution of EUR 3 347 370** to assist Italy faced with redundancies in the call centre sector. This amount represents 60% of the total cost of EUR 5 578 950 of the envisaged measures.

As a reminder, the request for financial assistance from the EGF was submitted by Italy on 9 May 2017, following **1 646 redundancies in Almaviva Contact SpA**, whose activities are carried out in the economic sector under 'administrative and other business support activities' in the Lazio region.

Parliament noted the following points:

Reasons for the redundancies: the **economic crisis has increased the pressure on prices in the call centre sector**, boosting competition between service providers and decreasing overall profitability.

The redundancies are **directly linked to a 45 % revenue decline of Almaviva's centre in Rome between 2011 and 2016**. Unfortunately, it was not possible to find a workable solution to this decline, leading to the closure of the Rome work centre in late 2016. Members regretted that between 2009 and the first quarter of 2014, **one third of Italian companies** in the sector have ceased their activities.

Envisaged measures: the eight types of measures to be provided to redundant workers and for which EGF cofunding is requested consist of: (i) individual orientation including skills assessments, profiling of the participant workers and the design of the customised reintegration pathway, as well as the enrolment procedure; (ii) job search including intensive employment searches, including search for local and regional employment opportunities and job-matching; (iii) training, retraining and vocational training; (iv) re-employment voucher granting an amount to be spent in intensive job-search services; (v) support towards entrepreneurship; (vi) contribution to business start-up; (vii) reimbursement of the expenses for carers of dependent persons; (viii) reimbursement of mobility costs.

The income supports measures will be **17.4%** of the overall package of personalised measures, well below the maximum 35% set out in the Regulation.

Members welcomed the establishment of a **committee** constituted by the Ministry of Economic Development, Regione Lazio and trade unions to define the strategy and interventions in support of former Almaviva workers as well as to draw up the coordinated package of personalised services. They stressed the importance of fully evaluating the effectiveness of the use of **reemployment vouchers** once sufficient time has passed for data to be available.

Beneficiaries: Parliament noted that of the 1 646 redundant workers eligible for a contribution from the Fund, **1 610 redundant workers should participate in the measures**. It also noted that **79% of targeted**

beneficiaries were women and that the vast majority of them were between 30 and 55 years old. In this context, it welcomed the inclusion of an estimated EUR 680 000 for the reimbursement of expenses for carers of dependent persons.

On a general level, Parliament noted that workers of the call centre sector should be more protected, which implies in particular avoiding moving staff from one centre to another, which is used as a particular strategy to force massive layoffs.

It commended the commitment of the Italian government to **defining a new legal framework** for telecommunications workers in order to avoid similar cases in the future.

Lastly, it called 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.